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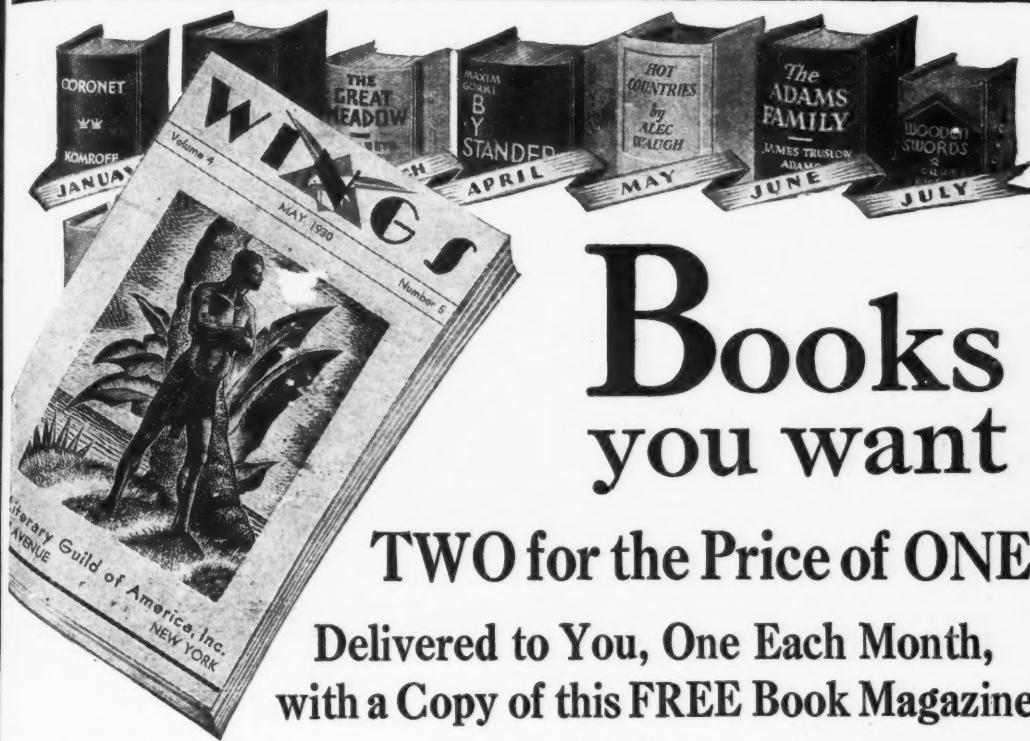
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CURRENT HISTORY

Book Reviews

The Chinese Revolution

By HAROLD S. QUIGLEY

PROFESSOR OF POLITICAL SCIENCE, UNIVERSITY OF MINNESOTA

PROFESSOR HOLCOMBE spent several months in China between November, 1927, and July, 1928, subsequently traveling to Moscow. He was seeking to estimate the influence of the Chinese revolution (1911-1930), upon international relations, with a view to a report to the bureau of international research of Harvard and Radcliffe. His book* is essentially "a study of Chinese government and politics for the evidence it might produce concerning the capacity of the Chinese to regenerate their State and give it an equal position in the family of powers." The author's previous works in the field of State government, political theory and political parties attest his grasp of governmental principles and assist to explain the assurance with which he moves in the new and confusing complex of China's republican institutions and forces.

Dr. Holcombe begins by asking: "How shall it be known whether any people is capable of self-government?" Failing to find any formula that answers the question and rejecting racial traits as criteria of political capacity, he surveys the old "scholastic empire" of the Mings and Manchus, finding it a system of international relations rather than a single State. "When the system was in good working order," he writes, "there was peace

throughout the Far Eastern World. It was in good working order long enough to justify its inclusion among the institutions which rank as great achievements of mankind * * * long enough to warrant the assumption that the Chinese possess, or at least have possessed, abundant political capacity."

One might ask whether it is sufficient, to give this conclusion weight, to analyze the causes of the decline and overthrow of the Manchus, in the face of the rise and fall of twenty-four dynasties during China's history. What are the causes of these changes and what is their significance to the student of Chinese political capacity? These questions are not considered. The result is an unjustifiable emphasis upon the shortcomings of the Manchus. This emphasis is strengthened by the comparatively slight attention given to the effect of foreign intervention upon Manchu government.

The search for political capacity under the republic is continued under such attractive headings as: "The Revolution in Education," "The Experiment with the Parliamentary Republic," "The Revolutionary Politics of Sun Yat-sen," "The Chinese Soviet Republic," "The Triumph of the New Militarism," "The Dictatorship of the Kuomintang," "The Period of Political Tutelage" and "The Outlook for the Five-Power Constitution." Within a brief space one finds the phases of the revolution sympathetically and cogently reviewed. Nine appendices provide the salient documents of the late years of the revolution. It may be pointed out that no "extraterritoriality conference" assembled in China in 1925-26 and that a definite conclusion to recognize China's tariff autonomy on Jan. 1, 1929, was reached at the Peking tariff conference. Also, that what is entitled the "most radical innovation in the new political system of the Kuomintang," viz., the introduction of representative government into the *hsien*



SUN YAT-SEN

**The Chinese Revolution*. By Arthur N. Holcombe. Pp. xlii, 401. Cambridge: Harvard University Press. 1930. \$4.

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(districts), was in existence in the earliest period of the republic until stamped out by Yuan Shih-k'ai.

The reward of the author's investigation of revolutionary politics is the substantial contribution to the philosophy of state life which he finds in the various fragmentary writings of Sun Yat-sen, the "Father of the Revolution" and its saint. His analysis of Sun's thought and of his part in the revolution is just to a man who asked no more than justice but has seldom been treated justly. Most pertinent and valuable to the contemporary observer is Dr. Holcombe's estimate of the differences between Sun's political ideas and those of Western thinkers, including the spokesmen of bolshevism. In the synthesis of traditional Chinese empiricism, with Occidental concepts revamped for adaptation to Chinese conditions, is found justification for continued faith in Chinese political capacity.

The conclusion is reached that "the dictatorship of the Kuomintang represents a type of political system which is not inferior in principle to that which formerly prevailed in China and which in practice should prove much better adapted to the modern world. It is not inferior in principle, because fundamentally its principles are the same. * * * Despite the quarrels of the militarists, therefore, the outlook for the rehabilitation of China, if one does not take too short a view of the political scene, is favorable." From this optimistic view of the revolution the final conclusion follows naturally that "statesmen who look beyond the next Presidential campaign or Ministerial crisis at home and all forward-looking people everywhere will justify this policy [that of "patience and forbearance by the powers while the Chinese themselves set their own house in order"] by their confidence in the potential capacity of the Chinese."

With this conclusion it would seem that any sane person must agree, whether or not he agrees with Dr. Holcombe's estimate of what he calls the dictatorship of the Kuomintang. Dr. Holcombe would agree, no doubt, to an important distinction between the "scholastic empire" and the "dictatorship of the Kuomintang"—the former worked. To the reviewer's mind the Kuomintang dictatorship so far has been unsuccessful because it has failed to apply the most obvious fact in China's political history, the significance of regional autonomy. It is in too great a hurry for political unification in a State so vast

and historically so disjointed that no mold save federalism will bring the parts together, and so well unified by a magnificent and living culture that political unification may safely be accommodated to the hard facts of a medieval economy.

A Hundred Years of Anglo-Catholicism

By RALSTON HAYDEN

PROFESSOR OF POLITICAL SCIENCE, UNIVERSITY OF MICHIGAN

MANY people believe that Anglo-Catholicism has been the most virile movement within the Christian Church during the past one hundred years. Others regard the Tractarians, and especially their spiritual descendants

of these days, as ritualists of dubious intellectual honesty who are seeking to betray their national church, spiritually and politically, to Rome. To a large number of Americans the cleavage within the Church of England and within the nation outside that ecclesiastical organization, a cleavage caused by the attempts of Parlia-



DEAN INGE

ment to deal with the fruits of Anglo-Catholicism, is important chiefly as evidence of certain advantages which inevitably flow from the complete separation of Church and State that prevails in the United States. All these classes of readers, as well as specialists in the affairs of religion, and those who appreciate authoritative and well-written history will find much of interest and value in Herbert Leslie Stewart's *A Century of Anglo-Catholicism*.*

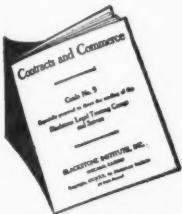
The scope and purpose of the book are clearly defined in the preface. The author there declares that his "single purpose is to compare one form with other forms of Christian belief and worship, to inquire

**A Century of Anglo-Catholicism*. By Herbert Leslie Stewart. Pp. xvii, 404. New York: Oxford University Press. 1929. \$4.75.

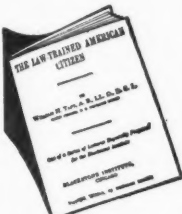
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wherein the Anglo-Catholic variety differs from the rest, to illustrate how these differences have been gradually developed, and to consider how far—within the assumptions common to them all—this type of modern Christianity is more reasonable or less reasonable than its rivals." Recognizing that in the case of such a book it is "inevitable that questions should be asked about the degree of prejudice that may be supposed to color the argument," Mr. Stewart, who is Professor of Philosophy in Dalhousie University, further states that he is "a Presbyterian born and bred, one content with the Church in which he was brought up, and conscious of no tendency whatever to change it for either the Roman or the Anglican communion." To this avowal the reviewer adds that Professor Stewart is a remarkably erudite scholar who wields a trenchant pen adroitly backed by unusual knowledge of history, literature, and contemporary life.

Quite logically, the book opens with a chapter on "What 'Anglo-Catholicism' Means"; and the author concludes that what marks the Anglo-Catholic as such is his conviction that the Mass—the sacramental system—is essential to the Christian order; and that the "historic episcopate" is a true Apostolical succession, and "that its observance is—like that of the Sacraments—a term of the 'covenant.'" Then follow critical expositions of the provocatives of the Oxford Movement and of its development through the activities of Newman and his fellow Tractarians; thence the story is carried on from the criticisms of James Anthony Froude, through the Dean Inge, *Lux Mundi* and *Essays Catholic and Critical* to the latest assailant of Anglo-Catholicism. The gains and losses through the movement are evaluated; the attempted compromise of 1927 and 1928 is discussed, and the situation in which the rejection of the revised Prayer Book has left the Established Church is critically assessed.

Although Professor Stewart mercilessly exposes their weaknesses and inconsistencies, he makes on the whole a strong plea for the fundamental position and claims of the "High" Church. He values the Anglo-Catholic Movement "because he finds its strange tenets associated with a purpose which he thinks most important of all. He sees in the High Church at least a resolute championship of that common faith which should belong to all Churches alike, but which some of them—for ignoble reasons—have allowed themselves to compromise or forsake."

In the rejection by Parliament of the compromise Prayer Book, the author sees an act of civil authority that was constitutionally proper and legal, but politically unwise. He attributes the action of Parliament primarily to an anti-Roman tide that had been rising ever since the first hint of the proposals of the bill had been given, and which by 1928 had become a flood. But, he inquires, recognizing that "both groups [Anglo-Catholics and their opponents] have meant and still mean well, has not the time come to give up compelling them to pretend that they mean the same thing?" Furthermore, nothing is to be gained in practice by the refusal of Parliament to accept the ecclesiastical compromise, because the ritual which the Revised Book would sanction was openly observed already, and it is practically impossible to suppress it.

On the whole, Professor Stewart seems to believe that the Anglo-Catholics have followed the wisest course open to them by putting aside the movement of their more advanced wing for disestablishment, remaining within the Church, actually carrying on as if the Parliament had not refused to legalize what they already were doing, and putting the next move up to the State. His book is an important contribution to the understanding of one of the most interesting religious and political situations of our day.

The Philippines, Past and Present

By WILLIAM MacDONALD

DEAN C. WORCESTER'S elaborate work on the Philippines, generally recognized as one of the most important books in its field, has long been in need of revision to bring it up to date, and Professor Hayden has now performed that rather thankless but eminently useful service.* The revision consists in some rearrangement of the text by summarizing long passages, transferring other passages to footnotes and omitting a small amount of personal or repetitious matter, together with the inclusion in new footnotes of references to the views of other authorities. The main body of the text

**The Philippines, Past and Present*. By Dean C. Worcester. With 144 Plates and two maps. New edition in one volume, with biographical sketch and four additional chapters by Ralston Hayden. New York: The Macmillan Company. 1930. \$6.

remains as before. The editor has himself written a nine-chapter biographical sketch of Worcester, and three chapters which continue the narrative to the present time. The original appendix has been enlarged to include extracts from the report of the Joint Educational Committee of the Philippine Legislature submitted in 1926, and significant portions of the annual report of John C. Early, Governor of the Mountain Province, for 1925, and of the report of Colonel Carmi A. Thompson, appointed by President Coolidge in 1926 to investigate conditions in the islands.

Worcester was a member of the Philippine Commission from 1900 to 1913 and Secretary of the Interior in the islands for all but the first year of that period. His confidence in the correctness of his own views and the righteousness of his intentions, joined to a lack of tact in some important matters, exposed him to attack both in the Philippines and in this country, his opposition to Philippine independence, his vigorous methods of dealing with public health and other subjects that fell under his jurisdiction, and his efforts to secure the development of the natural

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resources of the islands with the aid of American and foreign capital being particularly assailed. The most notable controversy in which he was involved concerned the sale to persons closely connected with the American "sugar trust" of large quantities of the so-called friar lands acquired by the Philippine Government from various Roman Catholic orders. The majority report of a Congressional investigating committee, however, approved the land policy with which he was identified.

The supplementary chapters in which Professor Hayden continues the narrative from the point (1913) at which Worcester left it do not attempt much more than a summary record of governmental achievements. The tone is prevailingly laudatory, but the controversial element in what was done is not ignored. The Wood-Forbes report submitted to President Harding in 1921 is adjudged to have been in the main "justified by the facts" and "an accurate picture of the situation," although Professor Hayden recognizes the divergence of opinion regarding the effect of the transfer of political power from Americans to Filipinos which went on under Governor General Harrison, whose administration came in for sharp criticism in the report. There is high praise for Major Gen. Leonard Wood, whose constitutional and legal difficulties are clearly indicated, and similar praise is accorded to Governor General Henry L. Stimson, now Secretary of State.

It would have been helpful if Professor Hayden had elaborated more fully two points which stand out in the recent history of the Philippines, namely, the disparity between Congressional legislation and the needs of the executive administration in the islands, and the essentially personal character of Filipino politics. His conclusion that political parties in the Philippines are pretty certain to rest, not upon more or less permanent principles and policies but upon "personal leadership and personal relations," and that they will do so because such is the Filipino point of view, is entirely sound, but the distinction is one not likely to be understood in this country without considerable explanation.

On the moot question of independence Professor Hayden is in accord with President Coolidge in holding that when the Filipinos are ready for independence "it is not possible to doubt that the American Government and people will gladly accord it." Until that time arrives, the interests of the Philippines will best be met, he thinks, by strengthening the con-

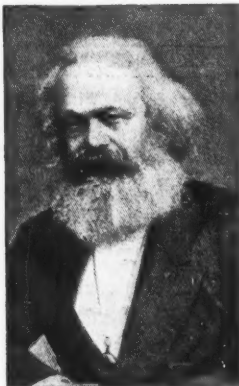
fidence of the Filipinos in the ultimate purpose of the United States in holding the islands and preparing a public opinion in this country that will support the intention.

Marxism

By WALTER JAMES SHEPARD

DEAN OF THE COLLEGE OF ARTS AND SCIENCES,
OHIO STATE UNIVERSITY

PROFESSOR RYAZANOV, who is Director of the Marx-Engels Institute at Moscow, is presumably a propagandist. These two books,* which owe their present publication to him, are presumably examples of Bolshevik propaganda. When, however, propaganda takes the form, as it does in these cases, of thoroughly competent and scholarly treatises which brilliantly illuminate the history of ideas, it can only be welcomed. Karl Marx and Friedrich Engels have probably influenced the course of economic and political thought during the past century more than any



KARL MARX

other two writers. Far from having reached its zenith, there is every evidence to anticipate the continued increase in this stream of thought. This does not mean that other countries are likely to follow in the exact footsteps of Russia. But it does mean that the philosophy of "scientific socialism," upon which not only all shades of social reformers, but even the most conservative of orthodox economists and political scientists, have made heavy drafts, will increasingly impregnate the thought and affect the action of the twentieth century. Though potent, this influence has not been consciously recognized nor its implications fully understood. It is in clarifying the sources of contemporary

**The Communist Manifesto of Karl Marx and Friedrich Engels.* With an introduction and explanatory notes by D. Ryazanov. New York: International Publishers. 1930. \$3.50.

Fundamental Problems of Marxism. By G. Plekhanov. Edited by D. Ryazanov. New York: International Publishers. 1930. \$2.

CURRENT HISTORY FOR OCTOBER

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socialistic thought, in illuminating the philosophical principles which underlie it, that we must accord a hearty welcome to these two volumes.

The Communist Manifesto is a cleverly devised book, containing, first, a historical introduction on "The Communist League" of 1847-1853, which vividly describes the ferment of ideas which led to the writing of the Communist Manifesto by Marx and Engels and its publication as the authoritative creed of the Communist League, the precursor of the several Internationals. Then follows the Manifesto of which it is truthfully said that "there is no document of the working-class movement that has so clearly marked the beginning of a new phase in its development, or has had so much influence on that movement. * * * No other document has had so wide a circulation in so many languages." Next there are 385 pages of explanatory notes on the Manifesto. There is scarcely a paragraph of the historic document but is made the subject of such a note. In part these are the editor's own work, but in large part they embody carefully selected excerpts from all the writings of both Marx and Engels. The work of the editor is done in masterly fashion, and the result is a comprehensive and systematic presentation of the tenets of Communist doctrine. A number of appendices contain various prefaces by the editor to the first and second Russian editions of the present work and by Marx and Engels to various editions of the Manifesto; an article by Engels on "The Revolutionary Movements of 1847"; a complete reprint, in translation from the German, of the first, or trial, number of the *Communist Journal*, published in London in 1847; an article by Engels on "The Principles of Communism," in question and answer form; the "Rules and Constitution of the Communist League"; the "Demands of the Communist Party in Germany," published after the disturbances of 1848 and within a fortnight of the appearance of the Manifesto, and a "Chronological Table of the Leading Events in the History of the Socialist and Working-Class Movement from 1500 to 1848." The book probably offers the best systematic presentation of the economic and political theories of Marxian socialism to be found within the limits of a single volume.

Fundamental Problems of Marxism first appeared in Russia in 1908. Its author is generally considered the father of Russian Marxism and one of the most brilliant theoretical interpreters of the founder of "scientific socialism." This volume is pri-

marily concerned with the philosophical foundations of this system. Little attention is given to the economic superstructure. For Plekhanov "Marxism is a complete philosophy, a general outlook on the universe, a philosophy permeated by a single idea, one and indivisible." That single principle is dialectical materialism. It is not sufficiently appreciated that Marx was something more than the founder of "scientific socialism." He was a great philosopher with a systematic and unified interpretation of the universe and of man's relation to the universe. He, of course, drew heavily upon Hegel, though it is a mistake to describe him simply as a Hegelian. It was Hegel's dialectical logic that Marx absorbed and utilized; but in place of Hegelian idealism he developed a theory of materialism which finds its precursors in Feuerbach and Spinoza. These philosophical ideas were blended with those of the English classical school of economists.

The doctrine of economic determinism is a corollary of Marx's materialistic conception of the universe. But with respect to this doctrine, Plekhanov shows that Marx did not hold the extreme position which is often attributed to him. Matter is indeed basic; it constitutes the primary positive thesis of reality. But mind or thought is its opposite, its antithesis. And the evolution of historical events represents a synthesis of both matter and mind. This means that, while for Marx all social movements are the outcome of economic and more ultimately of physical and material conditions, he only explains them thus in the last analysis, for he always implies that a considerable number of intermediate factors, psychological elements, are operative. One might hazard the guess that Marx would find the point of view of Charles A. Beard more acceptable than that of John B. Watson. In his *Capital* Marx emphasizes the fact that, while man is determined by external nature, he also acts upon nature, and in changing it also changes his own nature. It is this "logic of contradiction" which avoids for Marx the doctrinaire and simple explanations which never really explain.

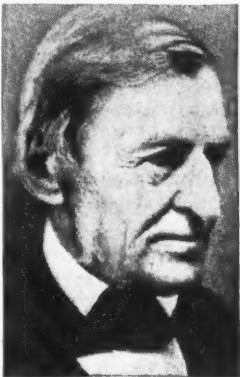
Kuno Fischer has well said that "human life resembles a dialogue in this sense that, with age and experience, our views concerning persons and things undergo a gradual change, like the opinions of interlocutors in the course of a lively and fruitful conversation." Is it not more than possible that the historical verdict with respect to Karl Marx and all that

his name implies will be a harmonization, a synthesis of the antagonistic attitudes of his devoted disciples and his embittered enemies? And would not this final verdict be what Marx himself might have anticipated as the consequence of his own philosophy?

Emerson, the Enraptured Yankee

By HUNTINGTON CAIRNS

M. MICHAUD, the former chairman of the Department of French at the University of California, has long been a student of American literature. He is the author of a number of studies dealing principally with the Emersonian period, including one volume, *Autour d'Emerson*, from which he has borrowed in the writing of the present biography. In addition, he has translated Emerson's *Journal* and H. L. Mencken's *Prejudices* into French. In France he is known and respected as an authority on Emerson, and the present biography* is his first volume to be translated for the benefit of the American public.



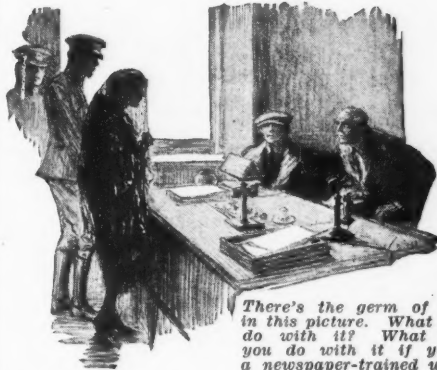
RALPH WALDO EMERSON

sonian period, including one volume, *Autour d'Emerson*, from which he has borrowed in the writing of the present biography. In addition, he has translated Emerson's *Journal* and H. L. Mencken's *Prejudices* into French. In France he is known and respected as an authority on Emerson, and the present biography* is his first volume to

be translated for the benefit of the American public.

M. Michaud has performed one important service in his study of Emerson. For many years, dating perhaps from the publication of Cabot's *Life* in 1887, there was a tendency to canonize Emerson and to regard him as the embodiment of the Categorical Imperative. Only Jonathan Edwards outranked him in the sternness of his injunctions and the aridity of his moral leadership. In 1917, when Dr. Paul Elmer More, then the doyen of American letters, announced from the heights of his great authority that Emerson was the "outstanding figure of American letters" and "an authority in the direction of life itself," the tendency reached its culmination.

**Emerson, the Enraptured Yankee*. By Regis Michaud. Translated from the French by George Boas. Preface by Ludwig Lewisohn. Pp. 444. New York: Harper & Brothers. 1930. \$4.



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tion and the Emersonian philosophy, along with *Poor Richard's Almanac*, became the inspired source for wall mottoes. From this sterile and mistaken view M. Michaud has, in large measure, redeemed him. He presents Emerson as a human being, vain and humble, weak and strong. M. Michaud is well aware that Emerson, like F. H. Bradley, might have declared, "on all questions, if you push me far enough at present, I end in doubts and perplexities," and Emerson's contradictions are thus laid bare, with no attempt at concealment. Emerson has, since Michaud's youth, been one of the profound influences of his life, and he attempts to disclose the secret and the charm of that personality with all its inconsistencies. It must be confessed that this task presents great difficulties, for Emerson was primarily a man of the study, and in the attempt to do full justice to his subject Michaud has at times overdramatized negligible incidents. But the emphasis he places on the genuinely human qualities of Emerson's nature has long been needed if the full force of his personality was to be appreciated.

In his presentation of Emerson's ideas, M. Michaud has, however, done himself a great injustice. Emerson's primary appeal is intellectual and his personality lacked those qualities which would make it a source of inspiration apart from his work. Michaud has contented himself with presenting Emerson's ideas in so attenuated a form that their importance is often missed and it is impossible to gather any coherent impression of their relation to one another. There is, for example, the obvious but important question of Emerson's relation to the transcendentalist movement. Michaud neither states nor analyzes the ideas behind the movement, nor considers Emerson's thoughts in connection with its program; instead, he follows the easier path of relating anecdotes about its members. Without an attempt at a systematic presentation of Emerson's ideas, any work of which he is the subject, unless it be purely biographical, which this volume is not, must necessarily be inadequate. By diluting his ideas beyond recognition to what he perhaps conceives to be the level of popular consumption, Michaud has greatly weakened the force of his book.

Even when recounting the facts of Emerson's life, Michaud curiously passes over important points. In 1832, when Emerson resigned his pastorship of the Second Church in Boston rather than submit to dictation from the wardens on

a point of doctrine, it is important to know whether he was possessed of personal means at the time, or whether he was going forth a lonely, penniless man. Years later when he delivered his moving oration to the literary societies of Dartmouth College in which he advised the students to put aside the maxims of the low prudence whose cardinal point was to get land and money, place and name, and seek, rather, Truth and Beauty, some of his hearers must have reflected, as his fellow-transcendentalists did, that a full purse makes such a course easier. Michaud neglects to mention that Emerson's immediate needs at the time of his resignation were well secured, and his courage, in this instance at least, is apt to be overestimated by the reader.

Long ago Henry James pointed out that life had never bribed Emerson to look at anything but the soul, and this is the implied burden of M. Michaud's study. Like Thoreau, Emerson was content to travel much in Concord. His first trip to Europe was a disillusionment; modern Rome, as Michaud says, was to him a desert; "the real Rome, every man worthy of the name bears it in his heart." Such a vision, coupled with the pitiless laws by which he regulated his life, would have meant disaster for a man of less self-possession. For Emerson it was the great source of his strength, as it will forever be the source of his weakness.

The Dictionary of American Biography

By M. K. MUNROE

ONE is increasingly impressed by the courage with which Americans have lived their lives and by the skill with which they have played their parts in our history. The Dictionary of American Biography, of which the fifth volume* is now published, becomes increasingly a testimonial to the generations who have made the United States.

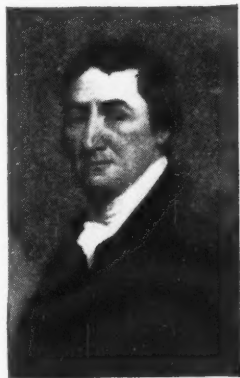
The present volume, including also such personalities as Jefferson Davis, contains to a considerable extent accounts of people whose importance was not political, but artistic and social. The book opens

**The Dictionary of American Biography*, Vol. V. Cushman-Eberle. Under the Auspices of the American Council of Learned Societies. Edited by Allen Johnson and Dumas Malone. New York: Charles Scribner's Sons, 1930.

with the life of Charlotte S. Cushman, "the most powerful actress America has produced," who in the middle of the nineteenth century was famous as Nancy Sykes in *Oliver Twist*. Her contemporary, Julia Dean, was, says William G. B. Carson, "one of the most beloved actresses in the theatrical annals of the country." Jeanne Eagels is given recognition; Isadora Duncan is one of the most absorbing characters in the book. John Drew is the subject of a vivid portrayal by Walter Prichard Eaton.

It is particularly interesting to learn how abilities and vocations have descended from one generation to another in a family. There are pages devoted to the Dana family—Charles A. Dana, the newspaper editor, who wrote for *The New York Tribune* during the Civil War and who, in 1867, after a disagreement with Horace Greeley and after some war service, acquired *The New York Sun* and restored it to a recognized place in the newspaper world; Richard Henry Dana, the poet, and his son, Richard Henry, who wrote *Two Years Before the Mast*. The Harding Davis family is represented by Rebecca B. Harding Davis and by her sons, of whom Richard was the most famous.

The Derby family of early maritime fame represents one of the most illustrious periods in New England history. Richard Derby, the Salem merchant, built up his trade in the eighteenth century before the Revolution, sending vessels to



ELIAS HASKETT DERBY

ports in Spain, France and the West Indies, where they exchanged New England farm products for rum and sugar. His son, Elias Haskett Derby, the most renowned of the family, after commanding privateers during the Revolution, continued his father's business. His ship Light Horse was the first vessel to fly the American

flag in the Baltic when she carried West Indian sugar to St. Petersburg in Russia. Another ship, the Grand Turk, in 1785, after earlier voyages to the Cape of Good Hope, ventured through the Indian Ocean to Canton, China, the first New England vessel to reach the Orient.

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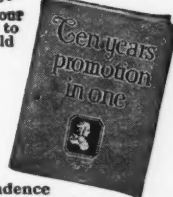
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The voyage of the Grand Turk opened the New England trade with the Orient which for another forty years was Eastern New England's chief business. Elias Haskett Derby handed down the business to his son, also Elias Haskett, but New England's maritime importance was on the decline, and with the fourth generation it was quite gone.

A man whose career will always invite interest was Lorenzo Delmonico, "a teacher of gastronomy," as his biographer describes him. Born in Switzerland in 1913, he came to the United States as a young man and opened in New York the first restaurant with "foods cooked and served European." He was, it is said, the father of the restaurant business in the United States, a business of no importance or standing before his arrival.

Among the literary personages are Emily Dickinson, Donn-Byrne and Paul L. Dunbar, the last of such high standing among both whites and blacks. "In eminent degree he represented the lyric genius of his race." Notable also are Leopold Damrosch, Lorenzo da Ponte, Reginald de Koven, Oliver Ditson, each of whom has in some way contributed to musical development in the United States.

The Mandates System

By J. P. CHAMBERLAIN

PROFESSOR OF PUBLIC LAW, COLUMBIA UNIVERSITY

PROFESSOR RAPPARD, a member of the Mandates Commission, in his introduction to Dr. Gerig's book* remarks: "There is, to my knowledge, no subject in the realm of the social sciences which, in the brief space of ten years, has given rise to a greater number of publications than the institution of mandates. This is doubtless due not only to its novelty and to its political and economic significance but also to the relative ease with which it may be studied. The reports of the mandatory powers, the minutes of the Permanent Mandates Commission and the deliberations of the Council of the League are all readily available. As, furthermore, this documentary material grows from year to year, the subject may be said to be in a state of continuous rejuvenation. * * * Most of these studies, however, deal either with the institution as a

**The Open Door and the Mandates System*. By Benjamin Gerig. 236 pp. London: Allen & Unwin, 1930. 10 shillings.

whole, with its origins, its evolution and its practical working, or with some of the intricate legal problems to which it has given rise, or with the administration of a specified mandated area." Both books under review evidence the value of the materials to which Professor Rappard refers.

Dr. Margalith's book* is a general study of the organs and evolution of the mandate system and of the intricate legal problem of sovereignty; Dr. Gerig has devoted himself to an important and less discussed phase of the problem—the mandate system as a device for preserving economic opportunity for all States members of the League in the mandated territory. Dr. Margalith opens with a very brief statement of the race for colonies before the war, its continuance in negotiations between the allies during the war, the differences among the victors in respect of the German colonies, and the mandate system as the compromise found by the peace conference. In a second chapter he describes the growth of the opinion in Europe and America before the war that a colonizing power should act as a trustee for the natives in its colonies. He notes especially President McKinley's declaration that the Philippine Government was to be established "for the happiness, peace and prosperity of the people of the Philippine Islands"; the plan for the control of Morocco under an open-door policy and a degree of international control which became the Algeiras act, and the division at the Berlin conference of 1885 of Central Africa by a multi-lateral treaty containing provisions for the open door and fair treatment of natives. He then outlines the supervision by the League of the administration of the mandated territories, saying that "in practice, then, the mandated territories are governed by a mandatory power on behalf of the League." A chapter is devoted to a discussion of the B and C mandates, an-

Continued on Page 1238

**The International Mandates.* By Aaron M. Margalith. 242 pp. Baltimore: Johns Hopkins Press, 1930. \$2.50.

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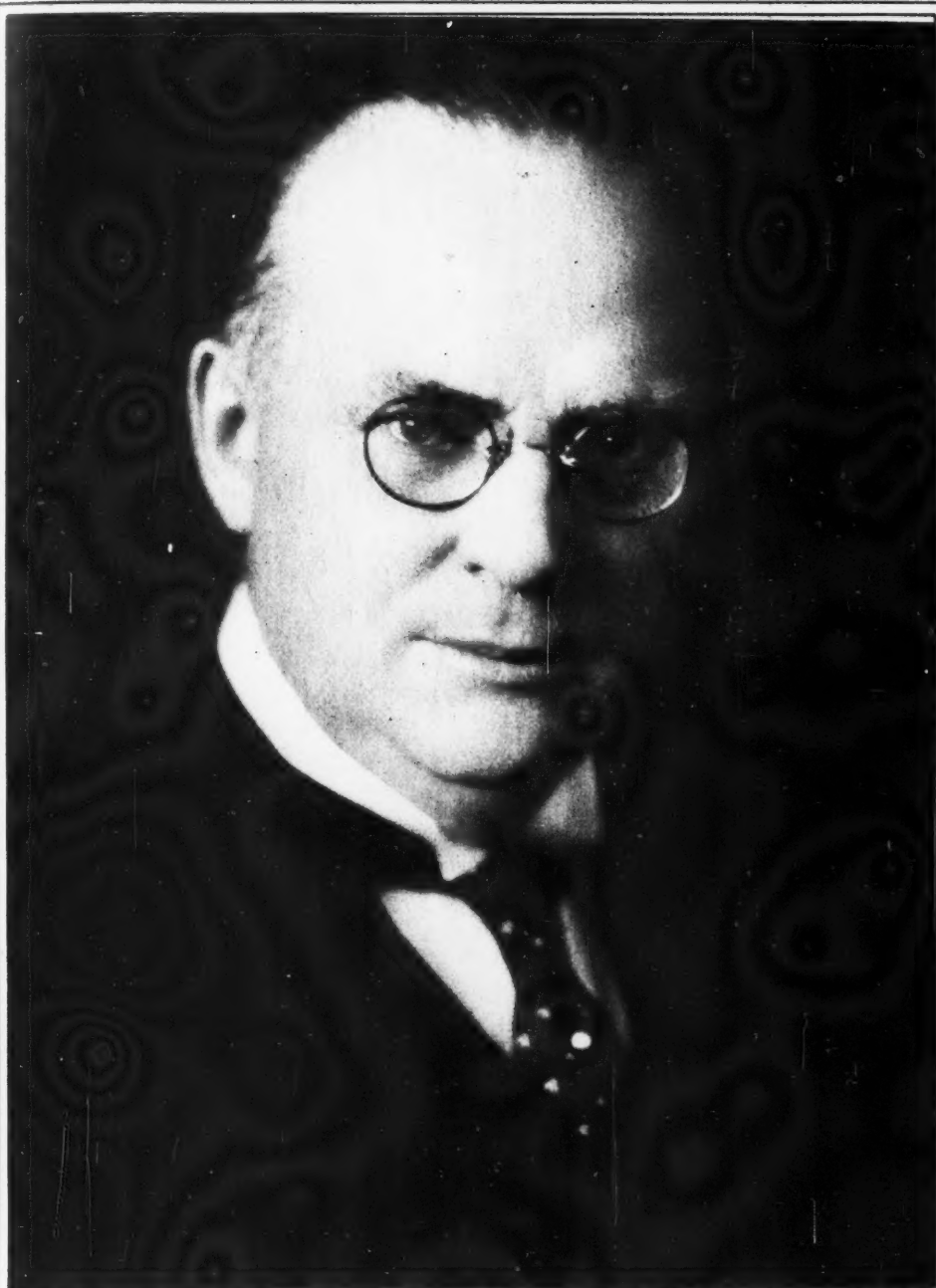
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PICTORIAL SECTION



Courtesy Canadian National Railways

RICHARD B. BENNETT

Canada's new Premier, who, as leader of the Conservative party, was swept into office by the general election of July 28 when Mackenzie King and the Liberal Government were decisively defeated

SIGNING OF THE LONDON NAVAL TREATY



Times Wide World

PRESIDENT HOOVER

Surrounded by members of the London delegation and Senators of the Foreign Relations Committee, the President affixed his signature to three copies of the treaty in the East Room of the White House on July 22. Standing, left to right: Senator Robinson, Secretary Stimson, Vice President Curtis, Senators Borah and Swanson, Secretary Adams and Senators Watson and Reed

DIRECTOR OF UNIFIED VETERANS' AFFAIRS



Harris & Ewing

BRIGADIER GENERAL FRANK T. HINES

Former head of the Veterans' Bureau, who was appointed Administrator of Veterans' Affairs when the three veterans' agencies were consolidated by President Hoover on July 8. The new bureau has an annual budget of about \$800,000,000

PICTORIAL SECTION: SEPTEMBER, 1930

HISTORIC FIGURE IN AVIATION



Harris & Ewing

GLENN H. CURTISS

Inventor and pioneer aviator, who died on July 23 at the age of 52. In 1904 Curtiss developed the first successful dirigible motor, and subsequently he devised the seaplane

BRITISH AUTHOR AND SPIRITUALIST



Brown Bros.

SIR ARTHUR CONAN DOYLE

Leader of the spiritualism movement in England and creator of the famous sleuth, Sherlock Holmes, who died on July 7 at the age of 71

THE COMMUNIST INVESTIGATION



PETER A. BOGDANOV
President of the Amtorg Trading Corporation, whose alleged propagandist activities have been under investigation by the Fish Congressional Committee
Associated Press



MATTHEW WOLL
Vice President of the American Federation of Labor and President of the Wage Earners' Protective Conference, who advocated an embargo of all Soviet products on the grounds of unfair competition and forced labor
Blank & Stoller

THE HABSBURG PRETENDER



ARCHDUKE OTTO

Times Wide World

The son of Charles, last Emperor of Austria-Hungary, who, on the eve of his majority, has been rumored as an aspirant to the Hungarian throne

DEATH AND DESTRUCTION BY EARTHQUAKE.



RUINS OF AN ITALIAN TOWN

Times Wide World

A typical view of the havoc wrought by the severe earthquake which rocked the provinces surrounding Naples late in July. A considerable area was laid waste and thousands died under the wreckage

Current HISTORY

The Soviet Union: The Question of Recognition

CURRENT HISTORY departs from its rule of refusing to print any anonymous articles in this instance, because the identity of the writer obviously must remain confidential. The credibility and high standing of the writer are vouched for by the Editor. Following this article is a vehement protest against recognition of the Soviet Union from the pen of the distinguished publicist, John Spargo.—Editor, CURRENT HISTORY.

TEN YEARS AGO in August the United States Government established its present policy toward Soviet Russia. In the period that has since elapsed Russia has put down the last of the counter-revolutions, restored peace with the foreign countries, entered into diplomatic relations with the great European and Asiatic powers and begun to reconstruct her economic life along American mass-production lines. American statesmen termed Russia an economic vacuum and lectured the Soviets on the proper system of economics, only to see our advice ignored and our sales to the Muscovites make Russia during the first part of 1930 our sixth largest foreign market. Time overgrows all treaties and all policies. Although the pure outlines of our classical capitalistic policy toward Russia are as yet unmarred by

the rude impact of unwelcome facts, the bases of this policy are being challenged by Russia's apparent success in establishing and maintaining a collective economic State in the midst of a capitalistic world. The time is now at hand when we can legitimately and without passion review our effort to dispose of bolshevism by absent treatment and with equanimity discuss the diplomatic structure erected by Secretaries Bainbridge Colby and Charles Evans Hughes in the heat and flurry of the post-war period.

Ten years ago the Pilsudski Government launched the Polish Armies in a bold invasion of the Ukraine. The campaign was strategically faulty and politically unsound. The result was a serious military reverse for Pilsudski and a diplomatic isolation for Poland, from which that country was rescued only

by the military genius of General Weygand and his last-minute defeat of the Red Army at the gates of Warsaw. While this victory freed Poland from the political consequences of her military aggression, the campaign put a definite term upon European efforts to intervene against the Soviets, whether through direct invasions, through counter-revolution or through the border States. A new policy was clearly indicated.

On Aug. 10, 1920, at the height of the Red Army's counter-offensive, when it seemed that only a miracle could save Poland from condign defeat, Bainbridge Colby, third and last Secretary of State in the Wilson régime, addressed a note to the Italian Ambassador who had inquired as to this government's position regarding the Russian-Polish situation. The Colby note laid down an American policy with respect to Russia which has been followed without deviation from that day to the present. This policy was a refusal to recognize the Bolshevik régime or to countenance any dismemberment of Russia.

The uncompromising American *non possumus* toward recognition has obscured the second phase of the American Government's Russian policy. In its reply to the Lithuanian National Council, on Oct. 15, 1919, and in its initial refusal to recognize the Baltic States as separate nations independent of Russia, the American Government had already set itself against Russian dismemberment. In its note of March 24, 1920, the State Department had asserted that "no final decision should or can be made without the consent of Russia" in the Near East. Similar scruples had caused us to withhold our approval from the decision of the Supreme Council at Paris, recognizing the independence of Georgia and Azerbaijan. Armenian independence we did recognize, subject, however, to Russian cooperation and agreement with respect to the final determination of its northern boundaries. Subsequently, at the Washington conference of 1921-22, the United States constituted itself dip-

lomatic trustee for the maintenance of Russian rights in the Far Eastern and Pacific area. And it is a fact that the American Government has never recognized the Rumanian annexation of Bessarabia, because the Russian Government has never accepted this act of spoliation. It is, parenthetically, a curious phenomenon that we should have accepted as valid the Soviet recognition of the Baltic States, while maintaining that the Soviet Government did not represent the Russian people, in the name of our friendship for whom we had previously withheld recognition from these States.

The basis of our refusal to accord recognition to the Soviet Government was a simple assertion that it was "an incontestable fact" that the Bolsheviks did not rule by the will or consent of any considerable proportion of the Russian people. They had not permitted anything like a popular election—they were engaged in civil and foreign war at the time, which may explain their curious failure to subscribe to the democratic dogma of which the Czars had been so prominent adherents—and, though small in number, they had "by force and cunning" seized the powers and machinery of government. In any case, they were not people with whom we could associate: "The existing régime in Russia," Secretary Colby ruled, "is based upon the negation of every principle of honor and good faith, and every usage and convention underlying the whole structure of international law." The Russian Government, the note continued, would not keep any agreement they entered into; therefore it would be useless to negotiate any agreement with them. (Since then the Soviet Union has successfully negotiated treaties with Great Britain, France, Italy and Germany—to mention only the more important); the Third International aimed at a world revolution; the Soviet diplomatic agencies would be centres of subversive propaganda and intrigue. The note concluded with a plea to act so fairly toward our erring neighbor as to deprive the Bolshevik régime of "its false, but

effective, appeal to Russian nationalism," and thus to hasten the day when the Russian people would see the light and throw off "a social philosophy that degrades them and a tyranny that oppresses them."

Since that date, only two incidents have occurred to disturb the peaceful absence of official relations between Russia and the United States. The first was the famous Hughes-Chicherin incident of December, 1923. The famine of 1921-1922 had led to a great outpouring of official American charity and the institution of the American Relief Administration in Russia, a characteristically practical Hoover benevolence, which relieved suffering abroad and helped the farmer at home. Better relations were rapidly becoming possible. President Coolidge's message to Congress in December, 1923, suggested the possibility of a friendly adjustment of American-Russian relations, without loss of principle or interest. Chicherin, Soviet Commissar for Foreign Affairs, promptly responded with a telegram to President Coolidge, proposing negotiations with respect to the compensation due American nationals for their sequestered property and the funding of the Russian war debt due the United States Treasury. Behind the scenes stood the powerful figure of Senator Borah, then, as now, one of the few American statesmen with a friendly interest in the great socialistic experiment launched by the Marxians of Moscow. Secretary of State Charles Evans Hughes interposed and killed the overtures with his drastic statement of Dec. 18, 1923, which was delivered by our consul at Reval to the local Soviet representative. Mr. Hughes asserted that "there would seem to be at this time no reason for negotiations," and went on to say:

If the Soviet authorities are ready to restore the confiscated property of American citizens or make effective compensation, they can do so. If the Soviet authorities are ready to repeal their decree repudiating Russia's obligations to this country, they can do so. It requires no conference or negotiations to accomplish these results which can and should be achieved at Moscow as evidence of good

faith. * * * Most serious is the continued propaganda to overthrow the institutions of this country. This government can enter into no negotiations until these efforts directed from Moscow are abandoned.

Time has supplied the best exegesis of this diplomatic bull. Sequestration of American property in Mexico became the subject of long and intricate negotiations between the Mexican and American Governments. The war debts of our non-Russian allies were funded only after even longer and more intricate diplomatic negotiations. Propaganda is another story, which will be told in due course. Suffice it that the history of Red scares in the State Department—Mr. Hughes's discovery of a plot to "hoist the Red flag on the White House" and Mr. Kellogg's frustration of the attempt "to interpose a Bolshevik hegemony between the United States and the Panama Canal"—makes most American diplomats pink with embarrassment.

The second flurry in Russian-American relations arose over the Kellogg-Briand pact. Russia was an early and enthusiastic adherent of the pact. Late in 1929, Soviet official opinion, as nervous over the idea of "capitalistic encirclement" as was Washington over Red propaganda, took exception to Secretary Stimson's friendly invocation of the pact as a means of relaxing Russo-Chinese tension in Manchuria. *Pravda* and *Izvestia* resounded with denunciations of our diplomatic duplicity and hypothetical hostility. The discreetly proffered olive branch was again dashed aside, this time by Moscow, when Litvinov, Acting Commissar for Foreign Affairs, tartly sent word to Mr. Stimson to mind his own business. Since then both sides have settled down with an uneasy feeling that somebody blundered.

However, the Communist unemployment demonstrations of March 6, 1930, and the usual May Day agitation revived the spectre of propaganda and led to another of those Red scares which appear whenever there is any chance of arousing public interest in

the broader aspects of Russo-American relations. This scare was accompanied by an ecclesiastical attempt to make capital out of Russian atheism, but the intercession fell remarkably flat, as responsible Protestant groups deprecated the mischievous and self-righteous character of anti-Russian religious propaganda. Then Police Commissioner Whalen of New York City added to the confusion by producing photostats which implicated the Amtorg Trading Corporation, the official Soviet commercial agency in the United States, in subversive activities. Russians without delay branded the Whalen exhibits as "forgeries," as the supply of forged Russian "documents" is so plentiful and so opportune as automatically to raise doubt as to the authenticity of the most plausible of photostats. Subsequently, a Congressional committee instituted hearings on Communist activities in the United States. However, so much anti-Russian sentiment exists in this country that it is always popular and often good politics to flaunt the Communist menace from time to time. As is the case with every established governmental policy, powerful vested domestic interests have vividly identified themselves with the policy of non-recognition.

One of these interests is organized labor. Under the successive presidencies of Samuel Gompers and William Green, the American Federation of Labor utilized the employers' dread of communism as a weapon for securing better treatment for labor in the United States. In the drastic economic deflation of 1920-21, wages were not reduced. Why? Not because the employers had learned the stabilizing value of high wages in an industrial depression; that was one of the lessons of the crisis. Wages were not cut because American capital was afraid lest American labor should go Bolshevik if wages were cut. Since then the best advertisers of the Bolshevik menace have been the leaders of organized American labor. They have practically told the employers: "Cut wages, discharge

workers, crush the unions, restore the open shop, *if you like*. But if you do, you will find yourself face to face with bolshevism. If, however, you deal with responsible labor unions, you will not only be giving labor a stake in national prosperity, which will make the unions a barren soil for bolshevism, you will secure their active help in combating the machinations of the Third International."

It is a fact that the Communist vituperations are fully as bitter against the federation leaders as they are toward the leaders of American capital. Conversely, the day that American capital ceases to fear bolshevism as an actual menace to the economic and social order in the United States, American labor will have lost its strongest argument for higher wages and shorter hours. A study of the course of unemployment in the United States shows fear of Red propaganda marching at an equal pace with the danger of a deflation of American wages. Nobody has yet explained how or why the United States, with its generations of organized experience in political self-government and in virtually unrestricted economic enterprise, should be expected to fall so easy a prey to the collective panaceas of a handful of Communist agitators. Our avowed terror of Red propaganda is either an admission that we have no faith in the integrity of our institutions and the intelligence of our people, or it is a convenient pretext.

Then there is the religious opposition to Russia. Since the revolution, Russia has been an atheistic State. It has, if you will, engaged in an effort to root out religion as a "narcotic for the masses" as serious as our effort to root out alcohol as a social menace. Religion of a purely sacramental type has been retained, just as we have retained medicinal and sacramental liquors, under government permit. But Russia no longer is the "God-intoxicated people" it was when the furniture of the average peasant's hut included an ikon, a picture of the Czar and a bottle of vodka. This is probably a net

gain for humanity and for religion. If Christianity is not powerful enough to hold its own against the legislative temper of the Soviet State, it has gone too far from its sources to be regarded any longer as a significant social force.

The old Russian Orthodoxy was politically a part of the Czarist régime, and the Russian Catholics were largely identified with the Poles, which explains a certain amount of the persecution which the Orthodox experienced after the counter-revolutions and the Catholics after the Polish War. Judaism, Mohammedanism and Protestantism are alike subject to the Soviet's atheistic policy and yet only the Anglicans and Episcopalians have taken serious exception to the Soviet policy. That the United States should continue to hold Soviet Russia in moral abhorrence undoubtedly suits the convenience of the Jesuit group, which holds the upper hand in the present Roman Pontificate, and also harmonizes with the middle-of-the-road policy of the Anglican Church, which is alternately playing with the idea of a merger with the Orthodox and of a reunion with Rome. It also probably suits the ideas of several level-headed European business men, such as Sir Henri Deterding of the Royal Dutch-Shell group, Herr Hugenberg of the German industrialists, Herr Kreuger of the Swedish match trust, and the lesser entrepreneurs who share their views and interests.

One reason for this is the recent significant growth of Russian-American trade. When, after the Wall Street crash of October, 1929, we faced what almost amounted to a buyers' strike in Europe, Soviet Russia was the only country which voluntarily increased its purchases in the United States, until it became temporarily one of our six best markets. Russian purchases from us in the first quarter of 1930 were exceeded only by those of France, Germany, Great Britain, Canada and Japan, although the Department of Commerce looked askance at any credits which would help us to expand this trade. Russia, incredibly and ominously enough, is

coming back economically. American business relations with Russia have increased year by year. We are selling Russia raw materials and industrial machinery; we are training Russian technicians; we have lent technical experts to Russia to help in factory installation and construction work. Despite the absence of diplomatic relations, American business has found it possible to deal profitably with Soviet Russia.

All this is happening at a time when the capitalistic countries—led by ourselves—are going through one of their periodic and scandalous cycles of overproduction and unemployment. The far-reaching implications of the Russian Five-Year Plan for economic reconstruction are beginning to attract attention, as the British Government sets up an Economic Council and President Hoover's Business Committee begins to study the recent business decline. For the first time, a practical vindication of collective economic methods begins to appear possible. Such a Soviet success would mean increased competition in European markets and growing social unrest in European countries.

It is an interesting picture: Standard and Shell resume their price-war on the issue of "stolen" Russian oil, with Shell raiding American retail markets and Standard peddling Russian oil in the Near and Middle East; on her maiden voyage to New York the Europa brings Soviet technicians with \$30,000,000 worth of orders for American machinery; Russian lumber and pulp wood begins to compete successfully with the Canadian product in the Eastern United States; American ships throng the harbor of Odessa and ply the Baltic ports; the British Government concludes a preliminary trade agreement with Moscow as American machinery equips the Russian factories which formerly bought their equipment from England; and the Five-Year Plan continues to suggest that business and economics may be national rather than individual functions, to be dealt with on the basis of the general welfare rather than private profit.

So far, the result of all this has been

to leave the American policy toward Russia unaltered. Trade has developed; economic relations are closer; interchange of economic ideas is continuous. Russia is becoming "Fordized"; we are beginning to lay the foundation of a capitalistic variant of the collective principle through the institution of huge holding companies and billion-dollar mergers. Russian dismemberment has been prevented. Europe has moved back its line of defense against bolshevism from the political and economic zones to the cultural and religious sphere, much as Japan buttressed itself against Westernization through the promulgation of the official Shinto cult. In so doing, Europe has temporarily carried American opinion along in a new anti-Soviet bias. Stories of the nationalization of women and of revolutionary atrocities no longer serve to inflame us, but a nation which takes its labor policy from the Federation of Labor and its religious foreign policy from Bishop Manning and the Catholic Welfare Council does not move gracefully in the direction of recognition.

On the other hand, there does not yet appear to be any strong reason for American recognition of Russia. The arguments advanced by Secretaries Colby and Hughes have, it is true, been somewhat modified with the passage of time. It is also true that the Stimson-Litvinov incident has failed to leave any permanent scar on the beautifully polished surface of the State Department's disinclination to have anything to do with Russia. Russian-American trade, with all its disabilities, has flourished. Russian economic recovery is daily becoming more possible and can hardly be regarded as a menace to the United States.

Three new factors have arisen in the economic sphere, which may materially affect our Russian policy. They are the Five-Year Plan, the American industrial depression and the provisional British trade agreement with Moscow.

It is obvious that any substantial success for the Five-Year Plan will have a profound practical effect upon our attitude toward Russia. If the Soviet Union

makes a success of its ambitious effort to lift itself by its economic boot-straps, manufactures its own capital and enters world trade as the most colossal single business enterprise in history, we shall have to take notice. Russia is one of the greatest of the world's potential markets and Moscow is keenly alive to its potentialities. The quantitative success of the Five-Year Plan is hardly contested; the qualitative success is not so apparent, although Russian exports of manufactured articles—matches, china, glassware, cloth, and so forth—suggest that adequate quality may also be attained. Moscow plans to double Russia's foreign trade—which now is worth close to \$1,000,000,000—in the next four years. Russian wood-pulp may enable our paper industry to free itself from dependence on Canada. Russian oil may enable Standard to turn the tide in its long battle with Shell. Russian purchases of tractors, automobiles and heavy machinery may break the iron ring which our European competitors have been forging around our premier industry ever since the Smoot-Hawley tariff began to be debated.

If we can get all this without recognition, we shall not worry about our Russian policy. However, the business depression in this country has caused us to take stock of our foreign trade. When the London police raided Arcos, Limited, the Russians transferred the greater part of their British business to the United States. Under these conditions we have built up a trade with Russia worth \$150,000,000 a year. Our foreign and domestic trade is not so healthy that we can afford to lose \$150,000,000 worth of annual orders. We have begun to realize that perhaps our prosperity is not automatic and that perhaps we will have to do something to retain it. At the same time, we are not quite so complacent over our own methods as we were in the days when wages and stocks and prices were rising in a wonderful statistical curve. It may be that we can further refine our economic institutions by comparative studies of Moscow's expe-

rience with collectivism. If Moscow keeps its hands off our millions of unemployed and continues its willingness to trade with us, we may discover that it is our moral duty to enter into closer relations with Russia, in order to help teach the Russians the truth about economics. There is scope for a great American missionary movement to function in our business relations with Moscow, and if Moscow plays the game we may find our Russian trade taking on an almost evangelical color.

The new Anglo-Russian trade agreement is the third element in this new equation. Great Britain, despite photostats as convincing as any of former Commissioner Whalen, has signed a new trade agreement with the Soviets, the first fruits of which were a £3,000,000 order for Imperial Chemicals, Ltd., and the prospect of £20,000,000 in annual orders for British industry. Already the British newspapers are suggesting that the Soviets may cut down on trade with America in order to induce us to sign a trade agreement. If Moscow plays that game with us, how will we respond? The Department of Commerce looks forward to a sharp decline in American orders from Russia, but will American business men and their employees let \$150,000,000 worth of orders and employment go without a murmur, especially if it goes to British and German competitors? Much depends, naturally, on how we might be approached. If it were a straight hold-up—no agreement, no trade—we would probably tell Moscow to go the devil, and retaliate by barring Russian products from our customs, along with the products of slave labor. If it were a gradual shifting of orders from America to England, our competitive spirit might find excellent reasons for not permitting the Russian market to go by default.

If we ever come to a direct issue with Russia the present obstacles to recognition would have to be faced squarely. Moscow has on several occasions indicated its willingness to negotiate on war debts and confiscated property. Our previous declaration that

there was no need to negotiate is not conclusive. We have done so in every other case of war debts and confiscation. There is need to negotiate if only to establish modalities of payment and to set up machinery for the adjudication of private claims.

The question of Communist propaganda is a stiffer hurdle. The Moscow Government is no more willing to restrain the missionary work of the Third International than we are to curb the missionary activities of the groups which send out men and women to preach to the heathen the gospel of skirts and trousers, monogamy, prohibition, toothbrushes and sewing machines. If we are really afraid of communism, if we really believe that a scattering of Marxians in this country can overthrow our institutions, there is little that can be done to save them. Surely propaganda no more than trade is dependent on official relations. On the other hand, we have laws, police, courts, prisons and deportation orders, and we can jail or deport any Communist the moment he infringes our statutes. We can also demand the recall of any diplomat who abuses our hospitality by tampering with our institutions. We have done so on other occasions.

If we take the attitude that the existence of Communist propaganda is evidence of an unfriendly disposition toward the United States, what shall we say of anti-American trade propaganda in the Argentine, what of Pan-Latin cultural propaganda in Central America, what of anti-Western propaganda in China, and what of the propaganda on the European Continent, the official, semi-official, and officially inspired agitation against American goods, methods, slang, morals, music, art and policies, which has pilloried "Americanization" as the great menace, which made "Uncle Shylock" a household word in the two countries which live on interest from debt, and which poisoned our relations with many nations toward which we had behaved in the most circumspect and friendly manner? We are—or ought to be—big enough to stand

a little propaganda without succumbing to it. We have—or ought to have—sufficient faith in our own institutions and our own people not to tremble every time a soap-box hero publishes a pamphlet calling for the establishment of an American Soviet inside the next twenty-four hours. And if we ever have a sufficient material motive for recognizing Russia, any student of American domestic politics can confidently predict that we shall toss aside all pretexts for avoiding the subject and shall get down to cases in record time. We have maintained relations with polygamists, with slave States, with despots and Sultans; we have dealt with cannibals and other races who did not conform with the dietary and moral standards of Main Street. The notion that we must endorse the domestic institutions of any country whose diplomatic existence we recognize is a new element in world politics, and is a distinct luxury in world trade. Where our interests are at stake we may find it

our moral duty to overlook the collective heresy of the Soviets and to tolerate their naïve desire to convert us from the error of our capitalistic ways.

Signs are multiplying that the world's policy toward Russia is on the eve of a far-reaching reorientation. In this we are in a position to play the major part. As we took the lead in maintaining a policy of non-recognition during a decade in which our commercial competitors sought trade and other favors from Moscow, so might we take the leadership in formulating a new policy which would reconcile the novel institutions of Soviet economy with the orderly evolution of world trade. Otherwise the advantageous position of diplomatic detachment with respect to Russia, which we have won by our stubborn policy of the last ten years, will be revealed as unsubstantial. Between Moscow and Washington the economic destiny of the twentieth century may be decided in the course of the next few years.

II

By JOHN SPARGO

FORMERLY A SOCIALIST LEADER, AUTHOR OF BOOKS ON THE RELATIONS BETWEEN THE UNITED STATES AND SOVIET RUSSIA

IN THE PROTRACTED contest between the ideals and institutions of communist-sovietism and those which for convenience we will designate capitalist civilization there has been thus far no single event of greater or more far-reaching importance than the refusal of the Government of the United States to recognize the Russian Soviet Government. It is agreed by the best minds on both sides that a contrary decision in 1920 would have changed the whole course of international politics during the decade just ended.

Intrinsically, the note which Secretary of State Colby addressed to the Italian Ambassador in Washington on Aug. 10, 1920, stating the position of the United States toward the Russian Soviet Government, is one of the most important diplomatic documents in our

history. In political importance as well as in style it ranks high among the half dozen or so really great State papers issued by our government during the last hundred years. The audacity of its attack, the merciless severity of its arraignment of the principles and policies of the Bolshevik régime, and the uncompromising declaration of the impossibility of our admitting to the privileges of official recognition and intercourse the power responsible for those principles and policies, had the great merit, unique among diplomatic papers, of sharply and unmistakably defining the issues of an irreconcilable conflict between social systems in such manner that it could be equally well understood in the cottages of the humble and the chancelleries of empires. Chicherin, the brilliant former Soviet

Minister for Foreign Affairs, while denouncing the position taken, admitted these qualities of the Colby note.

The armies of Soviet Russia had invaded Poland and seemed likely to subjugate that newly reconstructed nation. The Italian Ambassador in Washington inquired what the attitude of the Government of the United States was, both toward the Russian-Polish conflict itself and toward certain efforts that were being made to effect an armistice between the two powers. Secretary Colby replied to the specific question as follows: The United States desired "the maintenance of Poland's political independence and territorial integrity," and took no exception "to the effort apparently being made in some quarters to arrange an armistice between Poland and Russia." At the same time the United States was opposed to "the expansion of the armistice negotiations into a general European conference," the reasons for this opposition being that such a conference would involve recognition of the Soviet régime and a settlement of problems of vital importance to Russia upon the basis of her dismemberment. "From both of these results," said the note, "this country strongly recoils."

The reply to the question of the Italian Ambassador was concise, ample and free from ambiguity. It gave notice to the powers that the policy of the United States was opposed equally to any dismemberment of either Russia or Poland and also to the recognition of the Soviet régime at that time. Had the note stopped there it would have met the requirements of the moment well enough. It would have been a conventionally proper and technically correct diplomatic note, and nothing more.

What gives the Colby note its historical importance and pre-eminence among the diplomatic papers of our time is the trenchant and fearless exposition of the reasons why the United States could not give recognition to the Soviet Government, unless and until the latter divested itself of those inherent



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JOHN SPARGO

characteristics which distinguish it from all other governments, past or present. The note emphasized the fact that the Government of the United States did not concern itself with any feature of the political or economic structure which had been set up in Russia by the Bolsheviks. It did not object to either the Soviet form of government or communism as an economic system. The right to establish either or both of these is inherent in Russian sovereignty. Denial of recognition was based upon the conviction that there was in the régime something fundamental to its existence which made it impossible for the United States to hold with that régime the relations common to friendly governments and logically ensuing from recognition.

It was an impossible thing. There was no matter for argument or adjustment. The biological impossibility of mating a humming bird with a hippopotamus was not greater than the impossibility of friendly relations between

powers so infinitely remote from each other. In language the severity of which is unparalleled in the history of modern diplomacy Secretary Colby set forth the indictment upon which he based the conclusion that "in the view of this government there cannot be any common ground upon which it can stand with a power whose conceptions of international relations are so entirely alien to its own, so utterly repugnant to its moral sense."

Publication of the note caused a sensation. It was realized that here was no mere statement of momentary policy, another move in the diplomatic game. Here was finality itself, the irrevocable. It was made manifest to all mankind that the United States had measured the Soviet régime, examined its philosophy and principles, and, having reached an inexorable conclusion, had deliberately challenged it. Secretary Colby had placed the United States in the position of foremost defender and champion of the principles and usages upon which international order and comity are founded. Incidentally he established for himself a place among the greatest of our Secretaries of State and as a diplomat whose work was of epochal importance.

Mr. Harding, then a candidate for the Presidency, had declared publicly that if elected he would reverse the entire foreign policy of President Wilson. Privately he had said that he would recognize the Soviet Government. "No American statesman," said a high European official, "will dare attempt that for a generation to come upon any terms less than the complete surrender of the Soviet régime to the American position. The note of Secretary Colby is one of those rare declarations which all subsequent statesmen have to accept as unchangeable."

Ten years have passed. Woodrow Wilson has been succeeded by Warren G. Harding, Calvin Coolidge and Herbert Hoover, while Secretaries Hughes, Kellogg and Stimson have succeeded Secretary Colby. The position taken by Colby has been stoutly and ably maintained to the last letter by his suc-

cessors. So strongly did Secretary Hughes emphasize that position, reiterating his objections and arguments, that the policy came to be widely spoken of as "the Hughes policy." From time to time there have been flurries of agitation in favor of a reversal of the policy and recognition of the Soviet régime, but such a reversal is less likely today than at any time during the ten years that have elapsed since Secretary Colby's declaration rang like a clarion call through the chancelleries of the world. The opposition to the policy in this country is negligible in quantity and quality alike, especially the latter. A few self-styled intellectuals join with scattered political malcontents in a futile protest against the irrevocable, but the policy is buttressed by the incontestable sanctions of the nation, our self-respect and our strength.

Most impressive of all the tributes to the strength of the American position is the pitifully weak case which its opponents have set up. The foremost leaders and spokesmen of the Soviet régime, admittedly among the ablest and adroitest of controversialists, have devoted their talents to the task of discrediting the Colby note and our policy of non-recognition. Yet a dispassionate survey of the pro-Soviet arguments assailing our policy throughout the decade can convey to a thoughtful mind no other impression than one of incredible weakness. Despite the care and precision with which Secretary Colby, in terms understandable and incapable of misinterpretation, stated our position that our refusal to accord recognition to the Soviet Government has nothing to do with any feature of any of its domestic institutions, scarcely an argument appears on the Soviet side which does not assail the American policy upon the ground that our refusal to recognize the Soviet Government is due to our disapproval either of the Soviet form of government or of communism. If this argument is sincerely advanced, in the belief that it is valid, then the lack of intelligence is most pitiful. The only

alternative is to hold the argument in contempt as a studied and cynical affront to our national intelligence.

In our foreign relations we can recognize and hold relations with monarchies, dictatorships and republics, with slave States and free nations, with every variety of race and cultural development. No American statesman would dare make the political form of any government or the economic system of any nation the basis of a denial of diplomatic recognition and intercourse. Secretaries Hughes and Kellogg were as careful as Secretary Colby to emphasize that our policy involved no such infantile innovation in world politics. Russia can adhere to the Soviet form of government, if it so pleases, and it can develop communism to its ultimate limits, if it so pleases, and still gain recognition. All that it has to do is to abandon its avowed hostility to other nations, including our own, which do not desire, and will not have thrust upon them, either sovietism or communism. Let the Soviet Government abandon its policy of promoting world-wide revolution, either directly or through the instrumentality of the Communist International, let it manifest the international good-will which has invariably been the requisite condition for admission into the family of nations and recognition will be accorded to it.

In the words of Elihu Root, "recognition means that each government accepts the implied assurance of the other that it will maintain true friendship, true respect, true observance of the obligations of good neighborhood. * * * The fundamental doctrine of the men who govern Russia is that it is their mission in the world to overturn and destroy the Government of the United States, of England, of France, of all the civilized nations of the Western World. * * * The act of recognition would be a formal and a solemn lie, a false pretense of accepting the obligations of the Bolshevik rulers of Russia to observe friendship to the Government and people of the United States."

That is the essence of the matter. To enter upon such an agreement with the Soviet Government is incompatible with our national self-respect. The case is without precedent, for there has never before in the history of civilization been a government which on the one hand openly proclaimed its intent and purpose to be the overturning and destruction of the social and political institutions and the economic systems of other nations, while on the other hand it demanded that the governments of those other nations accord it recognition as a friendly power, grant it diplomatic privileges and advantages which are universally reserved for friendly powers and universally withdrawn from any power which commits unfriendly acts. It is futile and vain to argue the matter; recognition of Soviet Russia would be shameful self-abasement.

With amazing effrontery, or amazing stupidity—it is hard to decide which—the pro-Soviet advocates tell us that, even if the Soviet leaders are hostile to our institutions, and even if the Soviet régime does inspire and direct propaganda in other nations for the overthrow of their economic and political institutions, and would do so in this country through abuse of diplomatic privileges if these were granted to them, the United States ought, nevertheless, to grant recognition to the Soviet Government and accord it those opportunities. Failure to do this, they say, is evidence of a lack of faith in the stability of our own institutions, a sense of weakness and fear that propaganda will destroy our political and economic system. It is a curious argument. It does not require answer from a statesman; any psychiatrist can explain it. Our scientific culture, our sanitary and medical forces and resources are ample to enable us to cope with an outbreak of bubonic plague, let us say. Is that any reason why we should admit people suffering from the disease through our seaports to spread infection? Must we say that the danger of a great epidemic is small because we have the means to deal with the

epidemic before it becomes great? To state the question clearly is to expose its absurdity.

Our refusal to recognize the Soviet Government arose from our consciousness of strength, not from consciousness of weakness or from fear. In one country after another statesmen have expressed their admiration and envy of a policy they dared not emulate because of internal weakness in their own countries. Our Communist movement is a negligible quantity. It has no political significance. Our labor movement, led by the American Federation of Labor, and incomparably the most efficient of all the national labor movements, has from the first been a strong bulwark against Bolshevik propaganda in this country. It is not involved politically as the labor movement is in all the leading countries of Europe, nor compelled by the nature of politics to compromise and placate extremist minorities. When the Colby note was written the United States was the only great power which was in a position to shape its policy with a sole regard to international order and well-being, to be guided by the highest and best traditions and principles of international law and the comity of nations.

We have not attempted to apply to Soviet Russia any new principle. We have not required of the Soviet Government, as a condition prerequisite to its recognition, any act or undertaking which is not implicit in every act of recognition of a foreign power in our history and, what is more significant, is clearly and universally recognized as the requisite condition for the continuance of diplomatic relationships however long established.

Suppose that Mr. Ramsay MacDonald and his principal associates in the British Cabinet belonged to a political organization similar in character to the Communist International, which not only claimed but actually exercised the power to control and direct the action and policies of the Cabinet. Suppose this organization were international in scope with branches in many countries, including our own, over which the cen-

tral organization claimed and exercised the same jurisdiction and control as over the Cabinet. Suppose, further, that Mr. MacDonald, Mr. Henderson, Mr. Thomas, Lord Passfield and other important members of the Cabinet also held important positions in the councils of the international organization; that this organization by formal resolutions and published proclamations declared its hostility to this country and its institutions, avowed its intention of promoting a revolution here, and called upon its members in this country, some of them our own citizens, to institute agitation and strikes for revolutionary purposes and to incite conflicts between the white and colored races for the same purpose. That would be a state of affairs exactly parallel to that which obtains in the case of the Soviet Government.

Now suppose that Mr. MacDonald and his associate Ministers, while adopting a perfectly correct manner toward our government when speaking in Parliament and in formal communications, nevertheless, in their capacity as members and officials of the international organization, acted in accordance with its policy as above described, does anybody believe that we should maintain diplomatic relations with Great Britain upon any terms less than the complete severance of the British Government from the international organization, and the unreserved repudiation of that organization and its hostile policies by the British Government? The President of the United States who dared tolerate such an affront and failed to dismiss the British Ambassador would be impeached as fast as our constitutional procedure permitted.

We are told that conditions have changed since 1920 to such an extent as to render obsolete the policy based upon the then prevailing conditions. That argument is advanced, in varied formulas, by all who favor recognition of the Soviet régime, no matter for what reason. There have been changes in conditions since 1920, both in Russia and in the world at large. The Soviet régime has outlasted all expectations

and predictions—even those of its own greatest leaders. Contrary to the expectation of its followers and its foes alike, the régime has managed to exist and to function despite the non-appearance of the world revolution upon which it was supposed to be completely dependent and without which, friends and foes believed, it could not exist. So much may be admitted while retaining a sense of proportion and without accepting the fairy stories of propagandists on either side. There is undoubtedly less anarchy in the government than in 1920. There is also greater technological efficiency.

If the matter were in the least degree pertinent to our discussion, instead of being wholly irrelevant, we might profitably devote some time and space to the discounting of some of the romantic nonsense that has lately been published in the famous "Five-Year Program" of the Soviets. The naïve assumption that mere multiplication of factories and railroads shows economic growth and progress indicates ignorance of economics that is almost abysmal. During a large part of the eighteenth century Russia under the Czars was the theatre of a colossal program of palace building and dock and harbor construction. That was a program arbitrarily designed by the rulers and imposed upon the nation; it did not develop naturally from the life and needs of the people. A despotic government with slave labor to depend upon had no need to count the cost of anything. Much of the industrialization thus far achieved in connection with the "Five-Year Program" has been of the same uneconomical character as the useless "improvements" of the eighteenth century.

Moreover, thoughtful economists, including many whose sympathies are with the Soviet régime, have been calling attention to the increasingly serious problems arising from the excessive commitments of the Soviet Government to its foreign creditors. While thus far it has managed to make the required payments upon its obligations, it is well known in financial circles that the

Soviet Government is finding payment increasingly difficult. Then, too, there is the serious discrepancy between the officially published exchange rate of the chervonetz, as on a par basis of two rubles to one dollar, with the fact that the actual exchange in Moscow—effected through "bootleg" channels for the most part—is on the basis of from ten to twelve rubles per dollar. In Berlin and other European capitals the actual exchange rate during July ranged from eight to twelve rubles per dollar.

The sole purpose of these observations upon the romantic accounts of Soviet Russia's economic progress is to suggest caution. Our refusal to grant recognition to the Soviet Government was not based upon any theory that it was incapable of efficient functioning, or that it was weak and inherently incapable of developing strength. It was based upon the fact, which no spokesman or apologist for the Soviet régime has questioned or denied, that the central aim and purpose of the Soviet Government, openly avowed by its responsible statesmen, is to promote world revolution and bring about the overthrow of all other governments, including our own. That fact makes it unfit for confidence and trust. Its own choice has placed the Soviet régime beyond the pale. Recognition and the friendly relations which are derived from recognition are impossible between us and a régime which we can never trust and which can never trust us.

True, other nations have recognized the Soviet Government. In the main, they have adopted that course because they were compelled to do so by internal political weaknesses from which we were and are happily free. Great Britain would never have recognized Soviet Russia were it not for the fact that its organized labor movement is political in its character, with Communists constituting a disturbing element. That and the Soviet menace to India compelled British recognition, as more than one British statesman has admitted. France, too, with a government politically unstable because of its many

political parties and groups, a condition giving to its Communist elements a dangerous power, had to shape her policy according to her inherent weakness.

This view of the causes determining the action of the British and French Governments in recognizing the Soviet Government may be disputed and rejected, of course, but none can deny that the experience of both nations has amply sustained the contention of the Colby note that the Soviet Government is incapable of honorable friendship with the government of any capitalist nation. In both Great Britain and France actual experience has made it necessary to debase diplomatic intercourse as it never has been debased by either nation. If any one doubts this statement let him explain the famous Arcos raid in London and the scandals attendant upon the espionage maintained over the Soviet Embassy in Paris. There is hardly the pretense that Soviet Ambassadors are trusted

as the Ambassadors of other friendly powers are trusted. Belief that the Arcos raid was a simple incident is evidence of subnormal political intelligence. It was the logical result of a long sequence of abuses by Soviet agents without a parallel in modern diplomatic intercourse.

Our Russian policy is the product of political realism. We have no romantic illusions. Precisely as any self-respecting individual may buy from or sell to other individuals with whom he refuses to hold friendly social relations, and for whom he has scorn and contempt in social life, so as manufacturers and traders our citizens carry on such trade with Russia, through the existing government, as they find profitable, yet insist upon our own government imposing an effective barrier against the recognition of the Soviet Government—a power which we despise as thoroughly as we respect the Russian nation itself. Any departure from our policy in this respect is politically impossible.

The Communist Movement in the United States

By R. S. KAIN

EDITORIAL STAFF, *The New International Year Book*

FROM THE drab office building at 26 Union Square in New York City, huge banners in red and white appeal to the revolutionary masses to demonstrate "in defense of the Soviet Union" and to "fight police terror, unemployment and war preparations." The structure faces the traditional rallying ground of the city's proletariat, scene in recent months of Communist demonstrations and clashes with the police. It serves as headquarters for most of the Communist organizations of the metropolis.

Opposite the entrance stands a patrolman. He scrutinizes with a hint of belligerency the strange medley of the city's heterogeneous nationalities passing in and out—garment and fur workers, an occasional strapping Negro, serious-looking youths. They talk excitedly, for the most part in foreign tongues. Here and in the less conspicuous offices of the Workers' (Communist) Party of America, uptown in Harlem, centres the militant propaganda which has led to a Congressional investigation of Communist activities.

Some patriotic citizens see in these activities a direct threat to the stability of the Republic; others no less sincere consider them the harmless vagaries of congenital radicals, the hopelessness of whose cause is evidenced by their extravagances. To gauge the present significance of the Communist movement in the United States, it is necessary to review its history. It was born in New York City in 1919 as the Left Wing of the American Socialist movement. Seizing upon the Bolshevik program as a proved method for the overthrow of capitalism, the Left Wing insurgents advocated the destruction by force of the

"bourgeois State" and its replacement by a proletarian dictatorship. They bitterly attacked the "dominant moderate socialism" for its refusal to abandon legal political action, but their efforts to capture the party machinery and force their program upon the regulars failed partly because of factional disputes within the Left Wing. In the Summer of 1919, only a few months after its organization, the Left Wing split into three warring groups.

All three factions were represented at the first Left Wing convention, held in Chicago in September, 1919. The delegates formally endorsed the theory of the Russian Communist doctrinaires that the dissolution and collapse of world capitalism was imminent. In further accord with Communist teachings, they determined to organize the working masses in the shops and factories as the most effective means of precipitating the downfall of capitalism. With occasional modifications, these two principles have remained the bases of Communist philosophy and activity in America.

Three of the main tendencies of the Communist movement in this country were forecast by developments at the Chicago convention. Two rival Communist parties were organized; both voted to affiliate with the Third International, organized by Russian Communists with headquarters at Moscow, and the foreign-language federations emerged as the controlling party influence. Later, a fourth characteristic became evident. This was the tendency of communism to disrupt and destroy other radical or progressive organizations, both political and economic, which attempted to unite or cooperate with it in furthering what were considered common ends. These four char-



Adams Service

American labor embraces communism,
and how!

acteristics are chiefly responsible for the present status of communism in the United States.

The propensity of Communist organizations to split into rival and often bitterly antagonistic groups, while common in most of the countries of Europe, reached its climax in the United States. James Oneal, in his book, *American Communism* (published in 1927), records that between 1919 and 1921 twelve new parties were formed by splitting, an average of one every ten months. Factional reunions and divisions have continued with almost monotonous frequency since then. The latest occurred in 1929, when the Workers' Party of America split into three groups, each proclaiming itself the sole repository of true Communist doctrine. The same distinction is claimed by the Proletarian party, a fourth faction which has consistently withstood attempts to secure Communist unity. Repeated violent clashes between these groups testify to their bitter enmity. A Communist demonstration before the British Consulate in New York on June 28, 1930, de-

veloped into a battle royal between rival factions.

Party divisions are advocated by the Communist International and by some of the party leaders in the United States as essential to the "purity" of the movement. Other Communists consider them a source of weakness. Frequently they involve no fundamental difference as to Communist doctrines. Divergent opinions as to methods or abstract points of Communist philosophy, rivalry for leadership, and even racial antipathies, have precipitated splits. Those of 1929 represented local repercussions of the struggle between Josef Stalin, the most powerful figure in the Russian Communist party, and his opponents of the Left, led by Trotsky, and of the Right, led by Bukharin, Rykov and others. Expelled from the Worker's Party of America for "Left heresy," a group of Trotsky sympathizers headed by James P. Cannon formed a rival party known as the Communist League of America. Next to follow was Jay Lovestone, chairman of the executive committee of the Worker's party. He was deposed by the executive committee of the Third International because he agreed with Bukharin that Stalin's theories of imminent revolution, increasing radicalism of labor, and a crisis in capitalism were impractical as a basis of Communist activity in the United States.

Lovestone immediately founded another rival party, which he called the "majority group" of the Worker's party of America. He took with him a considerable section of the Worker's party membership, including such veteran leaders as Benjamin Gitlow, Bertram D. Wolfe, Herbert Zam and C. S. Zimmerman. Under William Z. Foster, who replaced Lovestone as the official leader, the "regulars" of the Worker's party conducted an aggressive militant campaign during the Autumn and Winter of 1929-30. In accordance with Moscow's instructions to fight vigorously against both capitalists and Socialists, encourage "class war" and proceed on the assumption that capitalism was on the verge of collapse,

they adopted tactics reminiscent of Communist violence in 1919. Foster's defiance of the New York City police during the unemployment demonstration of March 6, 1930, led to his arrest and conviction on a charge of inciting to riot. He is now serving a two-year term in prison in company with several of his lieutenants. To the intransigence of the movement under Foster's leadership may be attributed much of the present agitation for the restriction of Communist activities.

The divisions of the Worker's party in 1929 illustrate not only the schismatic propensities of the Communist movement in this country, but also its close dependence upon the Communist International, which in turn is controlled by the Russian Communist party. The chiefs of the Comintern have repeatedly exercised their power to determine doctrines and methods of the American movement, and their authority to do so is frankly admitted in the official publications of the Worker's party. The Russian Communist organ *Pravda*, on July 5, credited the recent activity of the American party to Comintern leadership and guidance. About the same time it instructed the American party to arouse a demand for universal unemployment insurance, develop Communist "cells" in the factories, mobilize the unorganized working masses for revolutionary aims while "boring from within" the American Federation of Labor, and bring the proletarian workers under the directive administration of the Communist party. Foster's group was further instructed to make the *Daily Worker* of New York City "a really militant mass newspaper" and to fight the "Right heresy."

The third characteristic of the American movement, evidenced from the time of the

Chicago convention, is the predominant influence of foreign-born and alien elements. Mr. Oneal estimated that the average monthly membership of all Communist groups in 1923 was 14,866, of whom only 1,055 were members of English-speaking organizations. The party publications at that time appeared in a score of languages. At present about 80 per cent of the party membership is among foreign-born residents, according to Representative Hamilton Fish, chairman of the Congressional committee charged with the investigation of Communist activities. Available statistics indicate that roughly one-half of the active Communists of the country are drawn from foreign elements in New York City.

The first warning of the fourth tendency of American communism—its destructive influence upon other radical or progressive groups with which it establishes contacts—was furnished



Philadelphia Inquirer

He'll have to show a better testimonial than that



Associated Press

Communist parade in Union Square, New York City, on May 1, 1930

by developments within the Socialist party in 1919. The prolonged factional strife engendered by efforts of the Left Wing to seize control of the party press and machinery dealt the Socialist movement a blow from which it has shown signs of recovering only recently. The Farmer-Labor party, the third party movements of 1923 and 1924, and other political groups and trade unions had similar experiences. In July, 1923, by a sensational coup, the Communists, then counting less than 20,000 members, "captured" the convention of delegates representing several million non-Communist trade unionists and farmers that had been called by the Farmer-Labor party in Chicago. The object of the convention was to unite all discontented groups into a single political party. Shrewd leadership, discipline, and the "packing" of the convention gave the Communists control of the Federated Farmer-Labor party, founded by the convention as a rival to the two dominant political parties. The success of the Communists, however, was short lived. Alienated by their tactics at the

convention and their subsequent leadership, the farmers and trade unionists quickly deserted the new party, which collapsed within a year.

At St. Paul in 1924 the Communists by similar tactics gained virtual control of a second national convention called by the Farmer-Labor party of Minnesota. This second effort to launch a third party for the Fall election failed when the Communists were repudiated by the late Senator La Follette. These two failures constituted a major disaster to the then thriving Farmer-Labor party. The Communists, deserted by the now thoroughly disillusioned farm and labor organizations, polled only 33,076 votes in the Presidential election.

The Communist effort to gain control of the American labor movement produced similar results in the unions singled out for capture. In numerous instances the unions were divided into contending factions and diverted from their main objectives. Like the farm leaders, labor spokesmen declared that their interests were repeatedly betrayed by the Communists, who sought

only to advance the revolutionary program of the Communist International. The American Federation of Labor led determined counter attacks against the Trade Union Educational League, the chief Communist propaganda organization in the labor movement. In 1925 William Z. Foster, organizer of the T. U. E. L., admitted that it had been forced underground in nearly every trade union in the country.

Communist efforts to gain control of powerful trade unions in New York City in 1926 and 1927 led to disastrous strikes and the formation of a united front among the trade unions against the movement. After a bitter struggle the Bolsheviks were driven from control of the International Ladies' Garment Workers' Union. They failed in their efforts to capture the other great garment union—the Amalgamated Clothing Workers—although many of its members were Russian born. Charles D. Wood, Commissioner of Conciliation of the Federal Department of Labor, testified before the Fish committee that the well-known Communist-led strikes at Passaic, N. J., in 1926, New Bedford, Mass., in 1928 and Gastonia, N. C., in 1929, were conducted primarily with the aim of stimulating revolutionary sentiment among the workers. All ended with the strikers worse off than at their start, he asserted, pointing out that Communist leaders had rejected attempts to conciliate the disputes. He added that the workers involved eventually repudiated the Bolsheviks' leadership. The failure of the Communist effort to control the American labor movement was admitted by Moscow *Pravda* of July 5, 1930. In claiming 15,000 members for the Communist movement in the United States, *Pravda* stated that only 10 per cent of the total, or 1,500, were organized "within 140 factory cells," adding that "under such conditions the party cannot successfully lead the activity of workers in the various enterprises."

The characteristics of the Communist movement explain its inability to adapt itself to the economic, political

and social conditions of the United States and its consequent declines in influence when the war conditions conducive to social upheaval were eliminated. The decline of bolshevism during the past decade is strikingly demonstrated by reference to the membership rolls of the various party factions. The present dues-paying membership of all Communist groups organized on a political basis is probably less than 10,000. At the high tide of Communist strength in 1919 the movement was conceded between 35,000 and 40,000 active adherents. An arbitrary estimate of the number of Communist sympathizers is four for each member who pays dues. That would give a present total of members and sympathizers of approximately 50,000, as compared with a corresponding total in 1919 of 200,000.

Pravda's claim of 15,000 members for the American party was ridiculed by Jay Lovestone in addressing a convention of his adherents in New York City on July 6. He reported that the total membership had declined from 8,689 in June, 1928, to 6,145 on Jan. 1, 1930. To *Pravda's* assertion that the party had gained from 6,000 to 7,000 members in a recent recruiting drive, Lovestone replied that "such wild claims have not been made by even the corrupt party bureaucracy for months." The opposition leader's figures as to the present party membership approximate closely the estimate of 7,000 made by James Oneal before the Fish committee in New York City recently. Lovestone indicated that further declines may be anticipated as a result of the repudiation of his policies by the Communist International. "The new line forced upon our party has destroyed our roots, our connection and our base in the agricultural field," he said. His lieutenants were equally emphatic in describing the confusion existing in Communist ranks as a result of Moscow's policies.

Another indication of the status of the movement is the vote polled in recent elections. The Communist candidate for Mayor of New York City in the Fall

of 1929 received only 5,805 votes. The votes for the Worker's party candidates in the Presidential elections of 1924 and 1928 were 36,386 and 48,228 (2.3 per cent in New York), respectively.

The decline of Communist membership commenced late in 1919 when the party's open advocacy of the overthrow of the government by force led to nation-wide raids under the direction of Attorney General A. Mitchell Palmer. It was estimated that 70,000 persons of alleged Communist or radical beliefs were taken in the Federal dragnet, several hundred of them being deported.

Driven underground, the Communists attempted to carry on their propaganda by means of secret societies. By February, 1920, according to Communist sources, both the strongest factions virtually had ceased to function as political organizations. In 1921 the factions united to form the Worker's party of America and appeared above ground with a program sufficiently moderate to secure legal standing. The party organ, admitting the failure of its underground propaganda, stressed the necessity of carrying on the class struggle "on a platform that will meet the requirements of the law as actually enforced by the ruling class." A survey of the membership made in 1923 by John Pepper, representative in America of the Communist International, placed the total at 20,000. He reported nine daily and twenty-one weekly publications, with combined circulations of 90,000 and 70,000, respectively. James Oneal's estimate of the average monthly membership during the same year was 14,866. A report of the Worker's party membership for September, 1924, showed 16,000 on the rolls, of whom 4,350 were affiliated with trade unions. Then followed the decline recorded by Mr. Lovestone—8,689 members in June, 1928, and 6,145 on Jan. 1, 1930. The present active membership is found mainly in the shoe, furniture and garment industries

of New York City, the New England and Southern textile regions, the coal fields of Illinois and Pennsylvania and a few automobile centres.

Although the future of communism as a political party in the United States appears worse than gloomy, it would be a mistake to infer that the movement is sufficiently harmless to be ignored. So long as it attracts even a small minority to its standard of violent revolution, it would seem probable that it will continue to obstruct American political, social and economic progress at vital points by stirring up class hatreds and strengthening the spirit of both reaction and revolution. Communist propaganda unquestionably tends to bring the government and its officials into disrepute among a section of the population. In their efforts to discredit the police, the Communists in a number of instances in New York City and elsewhere have deliberately provoked police attacks. On other occasions, it is only too evident the police have provided them with unsolicited opportunities to win public sympathy.

Another problem is raised by the under-cover dissemination of Communist propaganda through the so-called "innocents' " clubs, such as the American Negro Labor Congress, the Labor Sports Union, the All-American Anti-Imperialist League and the International Labor Defense. Organized by Communists, but with programs calculated to appeal to various non-Communist groups, these societies attract new members to the Communist fold through more subtle forms of persuasion. Nor should the possibility be disregarded that in time of war or of acute economic depression, communism may offer a much more powerful attraction to the American working masses than at present. Finally, and not least important, there is danger that unwise measures calculated to curb Communist activities, may injure and pervert existing democratic institutions.

The Situation That Made Carol King of Rumania

By EMIL LENGYEL

AMERICAN CORRESPONDENT OF *Die Boerse* AND *Die Stunde*, VIENNA

ON THE EVENING of June 6 the former Prince Carol of Rumania landed on the flying field of Bucharest and within forty-eight hours was proclaimed King and head of the House of Hohenzollern-Sigmaringen. The Senate and National Assembly, convoked in extraordinary session, declared as null and void the act of Jan. 4, 1926, which decreed Prince Carol's resignation as the heir to the throne, his leaving the royal house and exile from Rumania for ten years. The joint session of the Legislature conferred, at the same time, the title of Grand-Voyvoda of Alba Julia on the former King Michael, the son of the new King, Carol II.

Carol's return, apparently a spontaneous coup d'état, was really a premeditated move of the Rumanian Government, headed by Premier Juliu Maniu, and of Prince Nicholas, Carol's younger brother and a member of the regency council. The Queen Mother Marie and the Liberal party, under the leadership of Vintila Bratianu, were opposed to Carol's rehabilitation. The success of the coup was due to its perfect execution and to the fact that it took advantage of dissensions in the dynasty and of the troubled political situation.

Queen Marie, wife of the late King Ferdinand I and mother of King Carol II, had been for years the power behind the throne. Her husband was not a man of affairs and let her gratify her political ambitions. This she did by allying herself with the Bratianus, the most powerful political clique in Rumania. Through Prince Stirbey, her *officier de liaison*, she maintained constant contact with the ruling political régime.

Her son, Crown Prince Carol, on the other hand, was a bitter enemy of the Bratianus, whom he considered the authors of Rumania's political corruption. The Bratianus were reactionary and Prince Carol was a liberal. A clash between the two factions was inevitable, and the Bratianu régime felt that the time had come to crush the recalcitrant Prince.

For about sixty years the Bratianu family had been the real power in Rumania. They created the Liberal party which they used as the agency of the most ruthless exploitation of the country's natural resources. Under their rule corruption thrived and ignorance was triumphant. By such means the Bratianus and those affiliated with them captured the strongholds of the banking and industrial interests.

The cardinal policy of the Bratianus was to keep the people in ignorance and to stir up religious animosity whenever their position was in danger. They used anti-Jewish pogroms to deflect the wrath of the population from their own heads. With their unscrupulous methods the Bratianus fitted perfectly into the diplomatic system of the world before the war and through shrewd practices they increased Rumania's glory and, incidentally, filled their own money bags.

After the war Rumania, through the acquisition of new territories politically more enlightened, began gradually to awaken to the menace of political nihilism inherent in the Bratianu régime. The history of the last decade in Rumania has been that of a series of conflicts between the powers of reaction, represented by Queen Marie and the Bratianus, and the powers of progress, represented by Prince Carol and politi-



Underwood & Underwood
KING CAROL II

cians of the type of Iuliu Maniu and his Transylvanian supporters.

The forces led by the Bratianus in their effort to secure their position for at least another half a century had to annihilate the forces represented by Prince Carol. The Prince, highly temperamental and utterly reckless, furnished them with excellent opportunities to destroy him politically. He left the front during the war and eloped with a woman to Odessa. The Bratianus shouted treason and desertion. The Prince married the woman. The Bratianus wanted him exiled. The adventure ended in a none too luxurious suite in a fortress where the Prince was allowed for three months to ponder the limitations of personal liberty to which a member of a sovereign dynasty is subjected. He divorced the woman and concluded a truce with the Bratianus. Yet it was obvious that the truce would not last long and that one day the Bratianus would make the at-

titude of the Crown Prince toward them a question of confidence.

Prince Carol's life in Rumania was made impossible. He was spied on and was made the target of countless humiliations. His personal relations were under the strictest supervision, although he belonged to a family distinguished by a freedom of conduct unusual even in ruling dynasties. The personal freedom of the Prince was consistently whittled down and in certain quarters fears were entertained for his life.

It was under such conditions that Prince Carol was delegated about five years ago to represent the Rumanian sovereigns at the funeral of the mother of the British monarch. Instead of returning to Rumania, Prince Carol left London for Paris and settled there, in the suburb of Neuilly, facing the Bois de Boulogne, with Mme. Lupescu, a Rumanian beauty. The act of Jan. 4, 1926, was the prompt answer of the Bratianus to this challenge. When a short time later King Ferdinand died, his place was taken by Carol's son, Michael, aged 6, but the real executive authority was exercised by the three members of the regency council on whose loyalty the Bratianus could depend. Prince Carol, who now assumed the name of Carol Caraiman, was divorced from his wife, Princess Helena of Greece.

The Bratianus and Queen Marie now seemed to their adherents not only to rule but practically to own Rumania. Yet, the success of the Liberal party meant its doom. As soon as they possessed all the power they tried to treat Rumania as if the country were their fief. Against this the people revolted.

Transylvania, although oppressed under the rule of Hungary to which it belonged before the armistice, had been accustomed to an honest civil service and therefore felt acutely the corroding power of a corrupt political system. The Transylvanian party, headed by Dr. Iuliu Maniu, was in favor of Western democracy, while the Liberal party of the Bratianus had successfully

established a system of Oriental despotism. The Transylvanians began to sabotage the government. Their work aroused the interest of the outside world. The Bratianu rule had plunged the country into a financial chaos and foreign funds were urgently needed. The economic life of Rumania was rapidly disintegrating for lack of credit and a catastrophe, such as Russia had undergone, was imminent.

The Transylvanians, allied with the National Peasant party, withdrew their representation from Parliament and declared that, if called to power, they would not be responsible for obligations undertaken by the Liberals whom they solemnly declared to be the enemies of the country. The Bratianus had an overwhelming majority in the Chamber, elected by their traditional methods of corruption and coercion. They could have overcome the opposition by steam-roller methods, but they took fright and permitted the regency council to call Maniu and his friends to power. With this move, which the Bratianus later had every cause to regret, the way was paved for the return of Prince Carol.

During the incumbency of Dr. Maniu he repeatedly declared that he abided by the act of Jan. 4, 1926, and that there could be no question of Carol's rehabilitation. Dr. Maniu may have meant what he said, but events during his premiership forced him to assume a different attitude.

Although Parliament was packed with Maniu's followers his hold on the country was precarious. It was now the Bratianus that sabotaged the acts of the government. Their power was as formidable as ever, for they still occupied the strategical positions in the banks and industries and their word was law in the National Bank of Rumania. Maniu's government was a model of honesty, but corruption was too deep-rooted to be stamped out in a few months. With an utter disregard for the interests of the country, the Bratianu clique disorganized finances to such an extent that in the Spring of 1930 Rumania reached a

point at which it was felt that something radical had to be done.

The royal house, recently the seat of so much unrest, once more precipitated the crisis. The prestige of Queen Marie has been on the wane for years. The decline of her influence began during her American trip which she undertook to save the tottering Liberal régime by securing for Rumania an American loan. Nor did she feel happy under the rule of the regency council. When her efforts to become one of the regents were frustrated she began to intrigue against her son, Prince Nicholas, who was a regent. An incident, similar to that of Carol's love affair, was the cause of another conflict.



Associated Press

FORMER KING MICHAEL
OF RUMANIA

Prince Nicholas fell in love with Mme. Saveanu (*née* Dumitrescu-Tohan) and wanted to retire from the affairs of the government in order to settle with her in France, as his older brother had done. Queen Marie categorically forbade the young man to follow the dictates of his heart, which made Nicholas espouse the cause of the Carolists.

Then came the unpleasant affair between Princess Ileana, Queen Marie's youngest daughter, and Count Hochberg, the second son of the Prince of Pless. They were engaged for two days, when the news came that Ileana had broken off the engagement. Queen Marie took the Princess to Egypt to make her forget. While they were away, a sudden resentment against Marie, described by an outspoken newspaper man as the trouble-maker of the Balkans, brought about an open conflict between the dynasty and the nation. The regency council, with the concurrence of Prince Nicholas, ordered her name expunged from the prayer for the royal house. Before this the Queen had had a dispute with the government on account of an interview which was interpreted as an attack by her on the cabinet. Things came to a head and the prestige of the ruling house suffered the most severe setback in all its history.

To make the situation worse even little King Michael contributed his share in making the dynastical arrangement of the Bratianus extremely distasteful to the people. In the private school where he was studying he began to assert his royal rights by kicking the other children on their shins until they revolted and refused to attend the classes. The revolt of the children was an ominous augury for the revolt of the grown-ups. Prince Nicholas fell in line with the other members of the dynasty and thrashed the chauffeurs who objected to his ramming their cars.

Meanwhile, the Rumanians discovered how unjust they had been to Prince Carol. Helped by the glamour of exile and by the undiplomatic actions of the other members of his fam-

ily, the Carolists were now encouraged to establish contact with the Maniu Government. For fear of a menacing Liberal coup d'état the government decided to support a Carolist putsch.

Public opinion in the country was amply prepared. The officers, with the exception of a few old generals, always sympathized with Carol. He had made a name among them as a good comrade and a humane superior. Moreover, the officers of the army did not find much pleasure in obeying a boy king, whose position was the result of a corrupt political system.

The Rumanian peasants have always been fond of Carol. In the course of his years of exile he had become their fairy prince, regarded by many as the friend of the poor and the oppressed. Carolist agents cleverly spread the rumor that hard times were Rumania's punishment for exiling a good prince. The spontaneous and undoctored enthusiasm with which the peasantry received Carol's return was incontrovertible proof of his popularity.

Carol has always been a darling of the new Rumanian provinces, especially of Transylvania. The Bratianu party nicknamed him the "King of the Transylvanians." Nowhere was the delight of the population more spontaneous than in Cluj, Oradea Mare and Timisoara, the largest cities of Transylvania. The minorities, living in the newly acquired territories, expected from him greater understanding for their problems and the youth of Transylvania presently appropriated him as one of their own, a young man with ambitions and ideals.

Although Carol's return was a purely domestic affair, it accomplished, at the same time, an important international realignment. The French Foreign Office, greatly concerned with the future of Rumania, welcomed this turn for whatever stabilizing influence it might have in the Balkans. The French Government has never molested Carol or his followers during his years of exile. In this respect the last Tory Government in Great Britain followed a different policy and went so far as to inti-

mate to Carol that his presence in England was undesirable.

The French Government had no reason to delight in the triumph of the Bratianus, known as great admirers and disciples of the Fascists of Italy. Strangely enough, the political situation in Rumania is such that not even the Italians have any reason to be apprehensive of the Carolist restoration.

Italy is on friendly terms with the present government of Hungary and Count Bethlen's clique has much sympathy for Carol. It has long been the aim of Mussolini to bring about a reconciliation between the Magyars and the Rumanians, and this can be best done with Carol's aid. The success of this policy would accomplish a twofold purpose: it would help to detach the Rumanians from the Little Entente, thus leaving Yugoslavia, Italy's arch-enemy, in an isolated position, and it would help to form a pro-Fascist bloc in and near Eastern Central Europe, much to the detriment of French political influence.

Hungary's reaction to the Carolist restoration is particularly important. Years ago there was some irresponsible talk about the merging of Hungary and Rumania in a personal union under the rule of Carol. The Hungarians never for a moment seriously entertained such a plan, but they are not averse to a closer and more intimate relationship with Rumania, with which, it seems, they have at present the closest affinity among all the Succession States. The Hungarian press was unanimous in its favorable opinion on Carol's return to power, which must be considered an extremely happy augury for the peace of that part of the world.

The Liberal party in Rumania is, temporarily, at least, entirely disrupted. Vintila Bratianu, the nominal head of the party, has to contend with a revolt, led by his nephew, George Bratianu. The insurgents are pro-Carolists, while the regulars are anti-Carolists.

On June 16 Premier Maniu finally admitted that he had "known" of Carol's return. He and his party are unequivocally and whole-heartedly for the



—International

DOWAGER QUEEN MARIE

King. Both Carol and Maniu are Western Europeans in their mentality. They are public-spirited and intelligent, ready to discard politics and to lay particular stress on the elaboration of a constructive economic program. They have the tacit support of foreign capital, which has offered its aid.

Queen Marie was on her way to Oberammergau when the news of her son's return reached her. She awaited the consequences, and after he had been proclaimed King, sent him a telegram of congratulation, to which he promptly answered, assuring her of his warm filial sentiments. Rumania is anxious to have the dynastical conflicts settled as speedily as possible, and to this end the conciliatory attitude of the King has served its purpose.

BERLIN, July, 1930.

[For later developments in the situation described above see the section on Rumania (under A Month's History of the Nations—Eastern Europe and the Balkans) in another part of this magazine.]

The Advice of the Senate in Treaty Making

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THE RECENT CONTEST in the Senate over the London naval treaty has brought out once more the impossibility of defining to the satisfaction of all the relation of the Senate to treaties. According to the Constitution, the President shall have power to make treaties "by and with the advice and consent of the Senate," provided that "two-thirds of the Senators present" concur.

There is general agreement that the fathers meant that the President and Senators—twenty-six of them then—should discuss treaties together personally and decide what was wise. Everybody understood the intention, and yet the procedure broke down the first time it was attempted. Senators objected to considering the proposed Indian treaty when President Washington and his Secretary of War were in the room "to overawe the timid and neutral part of the Senate." They demurred also to voting "yes" or "no" on the several propositions which the President had submitted, in order to give the council something to take hold of, and they proposed that the business be referred to committee. The President, having no conception of a council that did not discuss and advise or decide, was astounded. The proposal, he told the Senate heatedly, "defeats every purpose of my coming here." He returned a few days later, however, received the assent of the Senate to the propositions submitted and swore that "he would be damned if he ever went there again."

Mr. Washington kept his word, and the share of the Senate in treaty making has been a matter of controversy since that day. Senators are still trying to find a way to give "advice" in treaty

making as well as "consent." "The President wishes to tread on the necks of the Senate. * * * Form only will be left us," concluded Senator Maclay in 1789. The Senate solemnly admits, said Senator George in 1930, that it has but one right, power or duty, namely, to say "yes" or "no" after a treaty has been negotiated.

The first President, however, continued to ask the advice of the Senate in writing during the early stages of treaty making, and many later Presidents have followed his example. The general rule has been, however, as Senator Joseph T. Robinson recently stated in the Senate, for the President to conclude treaties on his own responsibility and submit them to the Senate for its acceptance or rejection.

Senate discontent with this method did not become serious until the twentieth century brought the United States into the great currents of world affairs, and at the same time gave her, for some sixteen years, Executives who greatly increased the power and prestige of the Presidency. For both these reasons Senators have made, since 1900, repeated and determined efforts to control the course of American foreign relations. Most of these efforts have necessarily taken the form of thwarting what the President proposed to do. Every President from Harrison to Hoover has had treaties extending the machinery for the peaceable settlement of international disputes nullified in the Senate. The Olney, Hay and Taft arbitration treaties, the League of Nations and the World Court have all failed to gain the approval of two-thirds of the Senators present, and both the treaty of peace with Spain and the key pact of the Washington

naval conference came perilously near to defeat.

The negative victories of the Senate in this period have been important; its positive gains have not been so marked. To extend its authority over foreign affairs the Senate must exercise control over the negotiation of treaties, no easy matter. The Senate is not permitted to communicate officially with foreign governments who in turn are not accustomed to dealing with it unofficially. Before the opening of the peace conference at Paris, in 1919, and continuing until the eve of its adjournment, the controlling leaders of the Senate warned the conference to put aside the project for a League of Nations; that body would not listen.

The rejection of the Treaty of Versailles convinced many that the President should give the Senate some formal recognition in the negotiating of future important treaties. Sharing that belief, President Harding appointed Senators Lodge and Underwood to the commission representing the United States in the Washington conference. In spite of Mr. Underwood's support of the four-power treaty, upon which the success of the conference apparently depended, two-thirds of the Democrats opposed the pact, and only twelve voted with their leader for the treaty, giving it five votes to spare. The passage of the treaty of peace with Spain, with two surplus votes, might also be considered an indication of the wisdom of appointing Senators as negotiators. Certainly there was precedent for the appointment by President Hoover of two of the ablest leaders of the Senate, Senators David A. Reed and Joseph T. Robinson, to our delegation to the London naval conference. Again the results seem to have justified the practice.

Yet it has at times been strongly condemned in the Senate itself. President McKinley appointed so many Senators as negotiators that at one time the Senate voted almost unanimously to prohibit the practice. Senator Foraker argued that the Senate had a right to the services of its members. Senator Bacon contended that such appoint-

ments were illegal under the clause of the Constitution which forbids any member of Congress to hold "any office under the United States." To Senator Hoar the suggestion that Senatorial negotiators were not officers was the merest cavil. Moreover, he thought such appointments made it impossible for a man to discharge his duty as a Senator. As an agent of the Executive and committed to the treaty how could he weigh it impartially in the Senate?

While not openly reverting to these grounds in the recent debate, the opponents of the treaty showed no special disposition to trust the work of Senatorial negotiators. Senator Shipstead could not see how, "by any stretch of the imagination, two men, though they be Senators, appointed by the President can be said to represent the Senate of the United States in the process of negotiating a treaty. If they were to serve in such capacity to give advice on behalf of the Senate, they must necessarily be appointed by the Senate as such and be given their instructions by the Senate."

Neither was it any comfort to the Senators who wished full information about the negotiations to know that such knowledge was possessed by two of their colleagues. Most Senators naturally wish to know how the decisions were arrived at; otherwise, they ask, how can we understand the full import of the treaty and vote intelligently on it? Supplementary notes and understandings sometimes affect the meaning of a treaty considerably.

This normal curiosity leads to serious controversy only when stimulated by Senators who wish to defeat the treaty because of opposition to it or to the President who sponsors it. Furthermore, continually to demand information serves their intention to delay action until a formidable popular opposition can be aroused. Their objectives are to stir uneasiness in the country as to the effect of the treaty, to arouse the large anti-British elements and to evoke other strong national or group feelings. To these ends it is found effective to announce constantly that vital

information to which the Senate is entitled is being held back by the President, who, it is suggested, must have been duped or is trying to give away our heritage.

In the last case Senator Moses began by moving, on June 3, that the Senate Committee on Foreign Relations ask the President for the documents dealing with the unsuccessful Geneva naval conference of 1927. The committee agreed. Thereupon the leader of the opposition, Senator Johnson, demanded all the papers bearing on the London conference "whether transmitted by cable, wireless or mail." The Senator furthermore wanted information on the oral communications also. The demand, however, took the form of a list of desired documents and was transmitted to the Secretary of State by the chairman of the committee on June 3.

Mr. Stimson in reply submitted confidential memoranda on the desired papers, but not the documents themselves. He declared unequivocally that "there have been no concealed understandings in the matter," and ventured the opinion that "the question whether the treaty is or is not to the interest of the United States and should or should not be ratified by the Senate must in the last event be determined from the language of the document itself and not from extraneous matter."

This brought from the Committee on Foreign Relations, by the votes of friends of the treaty, a resolution, on June 12, that "this committee dissents from such doctrine and regards all facts which enter into the antecedents or attendant negotiations of any treaty as relevant and pertinent, * * * and that this committee hereby asserts its right, as the designated agent of the Senate, to have free and full access to all records, files and other information touching the negotiation of any treaty, that right being based upon the constitutional prerogative of the Senate in the treaty-making process."

Two days later the President reiterated that "there is not one scintilla of agreement or obligation of any char-

acter outside the treaty itself," and Mr. Stimson replied to Senator Borah that his previous statement did not attempt to define the duties of the Senate or the scope of its powers in passing upon treaties.

In the meantime Mr. Stimson had shown his clear comprehension of the results of granting the delay desired by his opponents in a radio address of June 12, in which he said: "If the ratification of the treaty should be postponed until the Autumn, there will be projected into every Senatorial contest the bitter efforts of a single group of newspapers which is now devoting itself to the defeat of the treaty. * * * This could have no other result than to breed unfounded suspicion and ill will. It would not only tend to drag the treaty into party politics, but it would go far to neutralize the efforts which our government has made during the past ten years to cultivate friendship and good-will with these other nations. It would go far to destroy the benefit and purpose of the treaty when ratified."

The Administration evidently did not intend to have the results of the sixteen months' campaign against the League of Nations or of the three-year delay of the World Court repeated.

But the controversy over the documents was not yet over. The special session of the Senate had barely opened, on June 7, when Senator McKellar presented a resolution reciting the history of the case and repeating the request for the documents. Senator Reed at once offered to show any Senator a copy of all of the disputed papers if he would agree to receive it in confidence.

Senator Johnson, in reply, scorned the offer and demanded for the "Senate and for every member of it" the right to see those documents and to utilize them in debate. Senator Moses thought Senator Reed in wrongful possession of his copy, saying that it should have been turned into the State Department under its regulations.

Later, Senator Reed described the contents of the dispatches, explaining

that in preparation for such a conference every ambassador necessarily sent his home government all the reports he could get about the delegates appointed, their personalities and propensities, together with confidential estimates of the desires and necessities of the government to which he was accredited.

Senator Robinson also added his assurance that in so far as they reflected any light on the treaty after it was negotiated the messages were "absolutely trivial and insignificant." Moreover, many of the messages were not the sole property of the United States, and to make them public would be a violation of the usages of diplomatic negotiation.

These assurances, however, did not placate the opposition, which wanted to establish "a precedent for all time hereafter," and opposed amending the resolution to include the usual phrase "if not incompatible with the public interest." This amendment was, however, added over their protest. A further one permitting the President to make any recommendation he desired concerning the use of the papers by the Senate was accented.

Other Senators were willing to agree to withhold comment on the documents, and the proponents of the resolution expressed faith in the ability of the Senate to keep a secret. Unfortunately, the record does not support this confidence. The chief advantage claimed for entrusting a share of treaty making to the Senate, rather than to Congress, was that the small Senate would act with "secrecy and dispatch." The makers of the Constitution had little hope that the House of Representatives—numbering then about sixty-five members—could be trusted to secrecy, and they were convinced that "perfect secrecy and immediate dispatch" were requisite.

As the Senate grew in size, its power to preserve the secrecy of treaty discussions naturally decreased. For many years before treaties came to be discussed in open session the speeches of Senators made behind closed doors were commonly reported in the news-

papers. They were not reported verbatim, of course, but fully nevertheless, and the Senate was perennially engaged in a largely fruitless attempt to stop the leaks.

This situation was recalled by some Senators before the resolution asking for access to the archives came to a vote. As amended it was adopted July 10, with only four Senators opposed.

In declining the request once more, President Hoover emphasized the fact that the desired information would include many tentative, informal reports and proposals concerning subjects, persons and governments given to him in confidence. The President, he was sure, "must not affront representatives of other nations and thus make future dealings with those nations more difficult and less frank."

How could the President have replied otherwise? President Wilson refused to send to the committee the "intimate exchanges of opinion on many delicate matters" in the commission which framed the League of Nations or to submit to it the files of the American commission. President Harding, promoted from the Committee on Foreign Relations, likewise declined to furnish the Senate "the records, minutes, arguments, debates, conversations, &c.," relating to the four-power Pacific treaty, in language almost identical with Mr. Hoover's.

A more hopeful promise of restoring something of the original intent of the Constitution that the President should make treaties "by and with the advice" of the Senate lies in the direction of voluntary conferences between the Secretary of State and the Committee on Foreign Relations. A Secretary who is in a position to consult with the committee before and during major negotiations may form a working partnership which will greatly facilitate the approval of his treaties by the Senate and he will very often get ideas of solid worth for his drafts. Secretary Bryan secured the advance consent of the committee to his famous commission of inquiry treaties and Secretary Kellogg's early conferences with the com-

mittee concerning the peace pact and with reference to his arbitration treaties had similarly good results. The acceptance by two members of the committee of posts on the London mission indicates the pursuit of the same policy in the present administration.

Under our form of government it does not seem feasible for the Secretary of State to be made responsible to the committee. The final decision as to what shall be attempted by international agreement must be lodged somewhere, and to reduce the present concentration of initiative in the hands of the Executive would seem to give us more confusion, rather than less, in the evolution of our foreign policy. An exactly equal division of authority in the making of treaties, such as some Senators contend for, would hardly reduce friction. Nevertheless, intimate contact between State Department and Senate committee would afford the Senate the influence and the recognition it seeks without intensifying the struggle for control.

In the late instance, the close of the passage with Mr. Hoover was at once

followed by the presentation of a reservation, offered by Senator Norris, to make absolutely certain that nothing compromising lurked behind the treaty. This reservation was adopted when the Senate approved the London treaty on June 21 by a vote of 58 to 9.

In the consideration of any treaty the demand for the details of negotiation is quite sure to lead to the acceptance of reservations by the Senate. It is always understood by the treaty's opponents that a struggle with the Executive to reconstruct the negotiations will at least incline the Senate to qualify its approval of the treaty.

Many feel that the giving of qualified consent is a late but effective assertion of the right of the Senate to advise in treaty making, but in a world which settles its affairs in great multilateral compacts even this expedient is likely to be less and less practicable.

Indeed, no device can ever make the advice of the Senate mean what it did on that August afternoon when the Senate sent George Washington from its chambers without advice or discussion upon the treaty propositions submitted to it.

Tariff Laws in American History

By WILLIAM MacDONALD

HISTORIAN AND PUBLICIST

THE AUTHORITY for the imposition of Federal tariff duties is found in Article I, Section 8, of the Constitution, which declares that Congress shall have power "to lay and collect taxes, duties, imposts and excises to pay the debts and provide for the common defense and general welfare of the United States." Because of the marked opposition of the States to internal taxes levied by any authority but their own, and the carefully restricted financial powers with which the new Federal Government was endowed, it appears to have been the general expectation that Federal taxes, while including excises, would in fact be applied principally to foreign trade. In this expectation the framers of the Constitution had before them the practice of the Colonies and later of the States, most of which, before the adoption of the Constitution, had levied duties on foreign trade in addition to the levies carried by the British trade laws. Some of these early duties, moreover, were intended to be protective.

The first tariff act, that of 1789, was a comprehensive measure when viewed from the standpoint of the development of American industry at the time, specific duties being imposed upon more than thirty classes of articles, with ad valorem duties on a few others and a 5 per cent duty on articles not enumerated. The act was limited to seven years, but subsequent acts extended the operation of some of the duties. In 1791, in an elaborate report on manufactures, Alexander Hamilton, Secretary of the Treasury, argued forcibly the benefits of protection to young industries, but while protection was rather widely accepted as a policy, its application as a deliberate stimulus to industry and trade was destined to wait upon events.

Jefferson, who became President in 1801, pursued a policy of drastic financial retrenchment, and the only important tariff development was the imposition of additional duties in 1804 to provide a "Mediterranean Fund" for the temporary protection of American commerce against the Barbary States. The embargo act of 1807 called a halt in American foreign commerce, but the repeal of the act in 1809 was followed by a heavy volume of imports. The War of 1812 was financed chiefly by government loans and issues of treasury notes.

With the close of the war, British manufacturers dumped huge quantities of goods on the American market, raising the value of imports from about \$13,000,000 in 1814, to \$147,000,000 in 1816, and threatening ruin to American manufacturers. The tariff act of 1816, accordingly, met the situation by setting up an elaborate scale of duties deliberately planned to be protective, and introduced, in the case of low-grade cotton goods from the East Indies, the principle of minimum valuation which a number of later tariffs reproduced and extended. The Congressional debate on the bill, while it opened a theoretical and practical discussion which has been continued with every important change in tariff schedules since, showed a strong support for protection in all sections of the country except the South and Southwest, and even in those sections the vote in the House of Representatives recorded twenty-three members in favor of the bill against thirty-four who opposed it.

No general revision of the tariff was undertaken after 1816 until 1824, when the schedules were overhauled and substantial increases made in the duties on iron, wool, hemp, silk, linen, cutlery

and other commodities. By that time it was apparent that public opinion was changing. New England, still a commercial section with large capital investments in shipping and foreign trade, joined with the planter South in opposing the bill; in the House of Representatives there were only fifteen New England votes for the bill against twenty-three in opposition, while in the South only one vote was cast for the bill to fifty-seven against it. The Middle States, on the other hand, showed a heavy majority (60 to 15) in favor of the bill, and all the eighteen votes of the West were given in its support. The tariff had become a sectional issue.

The immediate effect of the tariff of 1824 was to widen the sectional split and at the same time to alter its character. New England, under the lead of Massachusetts, read the signs of the time and turned toward protection and manufactures; the planter South, debarred, as it believed, by Negro slavery from developing manufactures, became increasingly bitter against a policy in whose alleged benefits it was convinced that it did not and could not share. The tariff of 1828, "the high-water mark of protective legislation before the Civil War," dubbed by its opponents the "Black Tariff" or the "Tariff of Abominations," was enacted as the result of a political intrigue. Unprecedentedly high duties on raw materials, designed to be burdensome to New England, were imposed in the expectation of thereby producing a revolt which, with the free trade sentiment of the South, would defeat the measure; but the protected interests, especially the woolen manufacturers, swallowed the duties and the bill was passed.

Thereafter, for a number of years, the tariff stood in the forefront of American politics. Henry Clay busied himself with the elaboration of his "American system," in which protection was one of the cornerstones, while the South, under the lead of South Carolina and Calhoun, developed and championed the doctrine of nullifica-

tion. The tariff of 1832 eliminated some of the excesses of the act of 1828 but showed no abandonment of the protective principle; on the contrary, it was, from the standpoint of the protectionists, a more consistent measure than the earlier act and hence one easier to support. Before the end of the year South Carolina, convinced that protection was to be continued without regard to dissenting sectional opinion, had issued its Nullification Proclamation. This denounced the tariff as unconstitutional, forbade the collection of duties in the State after Feb. 1, 1833, and declared that any attempt to enforce the act within the State would be regarded as "inconsistent with the longer continuance of South Carolina in the Union."

Jackson by his firmness effectively checked this incipient secession movement, but the grievance of the tariff remained to be adjusted. Clay met the crisis with a compromise proposal by which the rates were to be horizontally lowered, but gradually so as not to disrupt the manufacturers' business which had counted in good faith upon the continuance of protective duties. The Compromise Tariff of 1833 accordingly provided for a reduction of duties in excess of 20 per cent, one-tenth of the excess to be cut off every two years from 1834 to 1842 and the remainder in the latter year. The act at the same time made additions to the free list. The method of horizontal reduction has never commended itself to economists because of the obviously unequal effect of such reduction upon a varied schedule of rates, but the apparent simplicity of the method has won for it at times an appreciable support in Congress and in the country.

The panic of 1837 occasioned a serious deficiency in Federal revenue, but it was not until 1842, when the provisions of the Compromise Tariff had run their course, that a general revision was again undertaken. The tariff act of that year raised the rates irregularly to about the level of those of 1832, thereby reasserting the protective principle, preference being given

to specific rather than *ad valorem* duties.

While the act of 1842 was obviously protective, with exceptionally high duties in some cases, the framing of the act was influenced primarily by the need of revenue. With the return of prosperity it became evident that the continuance of protection as a policy would be challenged, partly on the ground of expediency and partly on that of constitutionality. Both objections were old and both ran much together. The constitutional objection had been stated with cogency by Jefferson in 1790, when, in an opinion given to Washington on the constitutionality of the national bank which Hamilton had proposed, he insisted that the power given to Congress to "lay and collect taxes, duties, imposts and excises" was not an unlimited grant of power "for any purpose they pleased," but a grant whose exercise was restricted to the requirements of "the common defense and general welfare" of the United States. Tariff duties which discriminated between industries and favored one section of the country at the expense of another could not, it was urged, contribute to a "general" welfare. The constitutional purpose, in Jefferson's view, was clearly revenue, not protection.

With the success of the Democrats in 1844 and the election of Polk as President, an opportunity was offered for a return to a revenue basis. Polk was strongly in favor of fixing duties at the lowest level consistent with the economical needs of the Treasury, reserving the highest rates for luxuries and substituting *ad valorem* for specific duties. The Walker Tariff of 1846, embodying Polk's ideas, approached more nearly than any other American tariff a free trade or strictly revenue basis, although it was not wholly devoid of protective features. For the first time also articles subject to duty were grouped in schedules (in this instance nine) designated by letters in alphabetical order, the rates ranging from 100 per cent on distilled liquors (Schedule A) to 5 per cent on a few

specialties, with Schedule I comprising the free list.

For the next ten years the tariff did not figure largely in political discussion. An increase in surplus revenue led in 1857 to further reductions in duties and an enlargement of the free list, but the financial panic of that year turned the surplus abruptly into a deficit. At the close of Buchanan's administration in 1861, after much debate over the causes of the panic, the Morrill Tariff, moderately protectionist, became law. This act restored specific duties on a number of articles, while the *ad valorem* duties that remained were in general those of 1846.

The Republican party, which made its first appearance in national politics in the election of 1856, championed protection at the outset as one of its leading tenets, and to that position it has adhered, with a marked leaning toward higher and higher rates. Since 1861 the Democratic party has been for the larger part of the time a party of opposition, but its general advocacy of the revenue principle has been crossed by an increasing acceptance of protection as a policy too long established to be set aside. In other words, tariff controversy between the parties has turned since the Civil War more upon the measure or kind of protection to be afforded than upon the older issue of protection versus a tariff for revenue only.

The financing of the Civil War was accomplished mainly by loans, increased internal taxes and paper money. The new internal taxes necessitated a revision of the rates of the Morrill Tariff, and in 1862 and again in 1864 the rates were somewhat advanced. An act of 1867 raised the duty on wool and another of 1869 increased the duty on copper. An irregular reduction, dictated by the drop in government expenditures after the war and applicable chiefly to articles unimportant in domestic production, was effected in 1870. The demand for further reduction which showed itself in the West, and which was enforced by the accumulation of surplus revenue,

was temporarily checked by the panic of 1873 and the excitement of the free silver controversy. In 1882 Congress took the unprecedented step of creating a Tariff Commission, but the report of the commission, declaring that "a substantial reduction" of duties was demanded "by the best conservative opinion of the country," was ignored. The next year another irregular lowering of duties failed to satisfy either the Republican protectionists or the country. In 1884 the Morrison "horizontal reduction" bill, reducing duties by 20 per cent on the average and adding to the free list, was defeated in Congress by a combination of Republicans and a Democratic protectionist faction which followed the lead of Samuel J. Randall of Pennsylvania.

The Democrats won the Presidential election of 1884, and in 1887 President Cleveland devoted his annual message entirely to the subject of tariff reform, denouncing the existing tariff as "vicious, illegal and inequitable." Waving aside theoretical discussion of protection and free trade, he declared that "it is a condition which confronts us, not a theory." But the Mills bill, intended to give effect to Cleveland's recommendations, though in fact a partisan, sectional and illogical measure, fell by the wayside through parliamentary wrangling and the intrusion of the Senate into the domain of tariff-making. As a result the Democratic efforts for reform came to nothing.

The Republican platform of 1888 committed the party "uncompromisingly" to the maintenance of protection. The McKinley Tariff of 1890, which was promptly enacted in fulfillment of this pledge, marked the highest development up to that time of protection as an economic doctrine. Protection now ceased to be thought of as in any sense a temporary expedient for encouraging industry and became, for the Republicans, a permanent policy. The new features of the bill, aside from a thoroughgoing revision of rates, were the grant of a bounty on sugar produced in the United States and a provision for tariff reciprocity with for-

eign countries. The duties collected under the act averaged 23 per cent of the value of all imports, both dutiable and free.

The passage of the McKinley act was followed in November, 1890, by the overwhelming defeat of the Republicans in the Congressional elections and by evidences of a widespread revolt against high protection under the influence of advancing prices. In 1893 the Democrats were once more in power, and the Wilson-Gorman tariff of 1894 again sharply reduced duties, but the revenue that was expected fell off because of the failure of the income tax provision which was incorporated in the act and which the Supreme Court adjudged unconstitutional. The ratio of duties to imports was 20.9 per cent. With Republican success in 1896, Congress enacted the Dingley Tariff the next year, with an increase in the ratio to 25.8 per cent.*

For the next decade the tariff issue slumbered. Meantime the growth of industry altered the effect of the Dingley rates, and there was a widespread belief that the tariff was encouraging the formation of monopolies and trusts. The Republican platform of 1908 struck a new note by declaring for "the imposition of such duties as will equal the difference between the cost of production at home and abroad, together with a reasonable profit to American industries." With the election of President Taft the work of revision was at once begun, but the Payne-Aldrich tariff carried sharp advances in rates and substituted for reciprocity a policy of increasing by 25 per cent the duties on goods from countries which discriminated against the United States. The ratio of collections to imports was 19.3 per cent.

*The percentage of duties collected to total of goods imported here given for this and subsequent tariffs are those used by President Hoover in his statement of June 15 last, announcing his intention to sign the Smoot-Hawley bill. The authority cited for the figures appears to be that of the Tariff Commission. The percentages are, of course, much lower than those that would be obtained by averaging the duties imposed by the several tariff acts.

The Payne-Aldrich tariff remained in force only until 1913, when it was replaced by the Underwood tariff, a Democratic measure which lowered a long list of duties, enlarged the free list and substituted ad valorem for specific duties. The operation of the act was impeded by the World War, which caused an unparalleled expansion of many important industries, and by the collapse of prices in 1920-21 as a result of industrial and commercial deflation. An emergency tariff in 1921 raised duties on a number of agricultural products, but a general revision was also begun which took form in the Fordney-McCumber tariff of 1922. That act lifted many duties to previously unheard-of heights, those on dyestuffs being practically prohibitive, and authorized the President, upon a report by a Tariff Commission, to raise or lower duties where existing rates did not equal the difference in cost of production between the United States and a competing country. Some thirty changes in rates, most of them increases, were made under this authorization. The ratio of collected duties to total imports under the act was 13.83 per cent.

The Smoot-Hawley tariff, which became law on June 17 of the present year, was initiated in response to President Hoover's request for a revision of such of the then existing rates as

particularly affected agriculture. The idea of a limited revision was not adhered to by Congress, and the outcome of a prolonged and heated partisan debate was revision affecting upward of a third of the more than 3,000 items in the schedules. Protests against what were regarded as excessive increases were received from more than thirty foreign countries, and threats of retaliation were freely made. At the urgent insistence of President Hoover the "flexible" provision was retained, but with some restriction of the President's power in the proclamation of higher and lower rates, and the Tariff Commission was reorganized. The average rate of duties that would be collected under the act was estimated at about 16 per cent. The Tariff Commission, a bi-partisan body of six members serving for six years instead of twelve, is required to be reconstituted by the appointment of new members or the reappointment of existing ones within ninety days after the act should go into effect. Numerous requests have been filed with the Tariff Commission for adjustments of rates, some for higher and others for reduced rates. The President has indicated that he will appoint a commission that will expeditiously function to adjust inequalities. The efforts to introduce the equalization fee into the tariff were defeated in Congress by large majorities.

Origins of the World War

I—An Important Admission by Poincaré

By ALFRED VON WEGERER

DIRECTOR OF THE GERMAN CENTRAL OFFICE FOR THE INVESTIGATION OF THE CAUSES OF THE WAR

GEORGES DEMARTIAL, the French author and formerly director of the French Colonial Ministry, published in CURRENT HISTORY, March, 1926, an article entitled "France's Responsibility for the World War," in which he complained that the question of war responsibility was ignored in France and added that a large share of blame was to be attributed to Russia. As Demartial held the Cross of the Legion of Honor, the Grand Master of the order gave the matter his attention and, in December, 1927, appointed a commission to decide whether Demartial had sullied his honor by publishing the article. Accused of having given to his article the character of a "lampoon" and of having failed to display the moderation of a "historian seeking solely after the truth," Demartial replied with several monographs in which, more particularly, he argued that Russia's mobilization was the cause of the war. All this, however, was in vain; on May 11, 1928, the disciplinary council of the Legion of Honor suspended him for a period of five years.

At this point the former students of the *Ecole Normale Supérieure*, where Demartial had been a student, took up the matter and, in August, 1928, addressed a protest to M. Herriot, at that time Minister of Education. The *normaliens* received no reply. Consequently one of their number, René Gerin, himself a *chevalier* of the Legion of Honor, approached the Grand Master of the order with the request that he might also be disciplined in as much as, like Demartial, he held the view that Germany was not solely responsible for the war. Gerin, who served in the war, is a lecturer and contributes

regularly articles on foreign politics to the *Quotidien*. As he received no reply to his letter, he sent to the press and to several influential personages a small pamphlet entitled *Trois Historiens Qualifiés*, in which essays by Demartial were reprinted. In an introduction he announced that for the future he proposed to devote the annual pension payable to him as a *chevalier* of the Legion of Honor to disseminating the writings of Demartial. Furthermore, in his pamphlet, Gerin attacked Poincaré personally and accused him especially of aggravating his responsibility by "the conspiracy between silence and mendacity."

At a conference to which Poincaré invited Gerin, it was arranged that the latter should address to the former certain questions concerning the responsibility for the war. Poincaré promised to answer these publicly, but it was understood that Gerin should make no rejoinder to the answers. Gerin thereupon drafted fourteen questions, and these, with Poincaré's replies, form the contents of the recently issued *Les Responsabilités de la Guerre* (published by Payot, Paris).

The controversy between Gerin and Poincaré turns primarily upon the question as to what obligations were laid upon France by her alliance with Russia, with its corollary as to whether in the years 1912-1914 Poincaré, on his own authority, went beyond the obligations of the French Government. Gerin also inquires whether the French Government had undertaken to assist Russia solely in the event of her being attacked by Austria and Germany or whether it had also promised assistance if Russia were to attack Austria and thereby cause Germany to intervene.

Poincaré asserts that he did not go beyond the obligations of the treaty of alliance with Russia nor did he ever say one word to Isvolsky, Russian Ambassador to France, which the latter might have construed as exceeding the scope of the alliance. But as Poincaré fails to go into his arrangements with Sazonov or possibly with the Czar during his visit to St. Petersburg in July, 1914, Gerin's question remains, for the present, unanswered.

An important part in the controversy is the question, To what extent was the general mobilization by Russia to be regarded as equivalent to war? As early as October, 1927, Poincaré stated in an American magazine that "Germany could always have mobilized her army without declaring war and have then continued the interrupted parleys." On this point Gerin expresses himself thus:

As generally known and discussed at the time, Germany, inferior to her combined opponents but mobilizing faster than any of them, considered that she had no hope of defeating them except by attacking one or the other at the earliest possible moment, before their being able to attack her simultaneously. By allowing her enemies to mobilize without attacking any one of them, Germany would have seen her chances of victory melting away hour by hour. Here again, we see that the decision as to whether mobilization does or does not imply war depends, not upon principles but upon circumstances. Faced by a Swedish or Austrian mobilization—or even by a French or a Russian—and nothing more, Germany might perhaps have been able to content herself with mobilizing and awaiting the advance of the enemy. But joint mobilization on both her flanks, with the largest army in the world on the one side and an army scarcely less numerous than her own on the other—an army whose daring and valor were well known to her—this forbade any delay of such a nature. The *soi-disant* promise of these armies not to cross the frontier was mere facetiousness; they had mobilized and that could only be to fight or to force Germany to capitulate.

Poincaré meets Gerin's argument by the counter-argument that the mobilization in Russia proceeded far more slowly than in Germany, so that the German Army would have been able to

encounter France and Russia on the defensive. Nor should Germany, he says, have gone through Belgium; then Great Britain would probably not have joined in the conflict. Poincaré's arguments are unsound. By her geographical situation Germany was compelled to extricate herself by an offensive from the pressure on her flanks. It was a purely military problem which could not be solved by non-military arguments. Poincaré's idea that Great Britain would have held aloof from the conflict if Germany had not marched into Belgium has been proved by Sir Arthur Nicolson's memoirs to be incorrect. Nor should the fact be overlooked that Great Britain's navy had joined forces with France's before the Germans marched into Belgium.

In order to refute the arguments based on Russia's general mobilization, Poincaré repeats his recently propounded thesis that a general mobilization is an "*acte intérieur*" of any particular State. He adduces in illustration of his point the mobilization of Switzerland. In doing so he forgets that the Swiss mobilization lacked those strategic foundations which gave the Russian mobilization its aggressive character.

In his questions Gerin refers in addition to other things to certain orders and protocols of the Russian General Staff made in 1912 and cited by Gunther Frantz in his book *Russlands Eintritt in den Weltkrieg*. Poincaré doubts the genuineness of these documents and calls them "very suspicious and even improbable." He styles the wording of the documents "incredibly cynical or silly." As the facsimiles published by Gunther Frantz in the July, 1930, number of the *Berliner Monatshefte* prove, there is no justification for Poincaré's insinuations. [Photographs of the documents are in possession of the Editor of CURRENT HISTORY and appear indisputably genuine.]

Maurice Paléologue, the French Ambassador to St. Petersburg, on July 31, 1914, reported quite briefly the Russian order for a general mobilization. In reproducing this order, *Livre Jaune* (the

French Yellow Book) (No. 118) made certain fabricated additions. Demartial calls the entry the "Queen of all falsifications." In it the general mobilization was presented as a consequence of Austria's general mobilization and secret German war preparations. On this point Poincaré expresses himself as follows:

When the *Livre Jaune* was compiled in the early weeks of the war, it is probable that, in order to present the events in a form believed to be chronologically accurate, the editors deemed it permissible to add to the telegram published as No. 118 the words which you regard as a falsification. I was unaware of this addition, but it harmonizes with the profound conviction of the Minister and consequently does not, by any means, merit the severity of your epithet.

Although the telegrams published in the Yellow Books are always more or less modified on account of the cipher, I myself had such confidence in the fundamental accuracy of the documents issued in 1914 that, as you say, I did indeed quote some in my speeches during 1921.

From this statement by Poincaré it is to be deduced that the editors of the French Yellow Book, that is, officials of the Quai d'Orsay, might take the liberty of making arbitrary alterations in the documents without risk of being called to account. *His statement also reveals the fact that, at any rate down to 1921, a false chronological order of the events of 1914 was regarded as correct in France.* Accordingly, Poincaré, Viviani, his Foreign Minister, and official France were until a short time ago under the impression that, as stated in Paléologue's falsified message, the Russian general mobilization was a consequence of the Austrian mobilization

and certain secret war preparations on the part of Germany. In reality no secret preparations had been made in Germany and the Austrian general mobilization followed the Russian. This throws quite another light on the whole character of the Russian general mobilization. According to Paléologue's telegram, as falsified by the editors of the Yellow Book, the Russian general mobilization might be regarded as a measure of defense, whereas, in reality, it was an unprovoked act of aggression by Russia against Germany.

If Poincaré's views, as expressed in his statement, are conceded to be correct, it follows that France gave her approval to the Russian general mobilization on false promises and fulfilled her treaty obligations on the supposition that Russia found herself on the defensive, whereas in reality she was the aggressor. We consider this statement by Poincaré to be one of the most important communications yet made concerning responsibility for the war.

In reference to the error of the editors of the Yellow Book, it should be noted that the date of the Austrian general mobilization was correctly reported by the French military attaché and that the editors of the Yellow Book consequently must have known it. That there was no difficulty whatever in ascertaining the date is evidenced by the fact that Penfield, the American representative in Vienna, reported it to Washington correctly and in good time. What the American diplomat did the more interested French diplomat could certainly have done with equal ease, and doubtless did do.

II—Documentary Proof of the Allies' War Plans Before 1914

By STELLA K. MARGOLD

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ALTHOUGH MOST of the secret documents of military significance relating to the origin of the World War have been kept in the dark, some of the secret reports¹

¹E. A. Adamov, "K Istorii bozniknovenia Mirovoi Voyny," *Krasny Arkhiv*, Vol. 34, pp. 166-183.

sent by the Russian military agents in France, Great Britain and Germany to the Chief of the General Staff and the Quartermaster General in St. Petersburg between January and April, 1912, are now available and are published below for the first time in English. They

show how the military attachés were making plans for the world tragedy of 1914-1918, to what extent these plans were completed by April, 1912, and, above all, how closer cooperation was brought about among the countries of the Triple Entente—France, Great Britain and Russia.

Events which increased the war tension and had direct bearing upon the naval and military arrangements mentioned in the reports were the results of the Agadir crisis of 1911, the failure of the Haldane mission of 1912, and the assurances to Russia from the new French Cabinet of Jan. 13, 1912—when Poincaré took office as Premier and Minister of Foreign Affairs—that France would cooperate in her Balkan interests and further her aims in the Straits.

During the Agadir crisis—when Germany demanded compensation from France for her occupation of the capital and other centres of Morocco and threatened France by the appearance of the German gunboat Panther at Agadir—Lloyd George interfered and uttered a warning to Germany in his Mansion House speech of July 2, 1911. This caused Germany to be inclined to a compromise. Although an agreement was reached by which France ceded a large tract of land in the Cameroon, the documents published here show that neither France nor Germany were satisfied with the results of the Agadir crisis. From that time the tension in both countries was much increased. And, according to the testimony of Winston Churchill, from the very day of the visit of the German Ambassador to Sir Edward Grey in connection with Lloyd George's speech, the British Government began to prepare their fleet for military activities and with feverish haste began to organize their naval and land forces in case of a sudden attack.

The failure of the Haldane mission, sent by Great Britain to Germany in February, 1912, for the purpose of drawing up an official treaty which would bring the competition in naval armaments to an end, caused Great

Britain to be much disturbed and again preparations were begun for a sudden attack. Thus were naval arrangements made with France through correspondence which, according to Winston Churchill, tied Great Britain and France much closer together. It was then that Great Britain showed her readiness to send against Germany not only her expeditionary army but also her fleet. From now on the Triple Entente demonstrated its harmony of purpose and outlook. To what extent this was accomplished is shown in a measure in the secret military reports printed below.

The provision that the protocols of conferences of the French and Russian Chiefs of the Staffs should be entrusted to the signatures of the Ministers of War only, simplified Russia's entrance into the war, for it rendered these engagements unconditionally obligatory for Russia. War might have occurred in 1912 were it not for the fact that the French Government allowed Russia two years for further preparations. The reason for this, according to Winston Churchill, was that the British General Staff placed a negative evaluation on the Russian military forces.

The reports show also that the French were in financial and moral readiness for war and were convinced that sooner or later a conflict was inevitable. The tension was ever increasing in Great Britain and the British were to take part in the first general land battle. In Germany the increase in naval and military armaments was progressing without interruption. It seems clear, moreover, that Italy's position in the Triple Alliance was uncertain and that there was a possibility that Spain might join Germany.

It was then well known that the war was to take place on Belgian territory,² which was considered favorable to the

²Germany's war plans for some years back provided for violating Belgian neutrality. In 1912 Great Britain renewed an agreement with Belgium that in case of war with Germany, should Germany violate the neutrality of Belgium, Great Britain should go to her aid. Cf. R. Poincaré, *Au Service de la France*, pp. 225, 226.

Allies. We further learn that diplomacy was to arrange matters so that France should not appear as the aggressor; and it was conceived that the initiative would come from Germany because she had much to gain from a surprise attack. These and many other facts relating to World War preparations are contained in the documents printed below.

These documents were first published in an article entitled "On the History of the Origin of the World War," by Professor E. A. Adamov of Moscow, which appeared on pages 166-183 in the *Krasny Arkhiv*, Volume 34, 1929. The originals of the documents are kept in the Russian Military Historical Archives in Moscow. The translation has been made by the present writer and verified by Professor Clarence L. Meader, head of the General Linguistics Department, University of Michigan.

SECRET REPORT OF THE RUSSIAN MILITARY AGENT IN FRANCE, COUNT G. I. NOSTITZ, TO THE CHIEF OF THE GENERAL STAFF, Y. G. JILLINSKY, DATED JAN. 17 (4), 1912. No. 5³

Jan. 17 (4), 1912. No. 5⁴

General Dubail, Chief of the Army Staff, read to me the dispatch from Colonel Matton, French Military Agent in Petersburg, in which he reported on his conversation with his Excellency, General of the Cavalry Sukhomlinov, concerning the signatures of the Prime Ministers or Ministers of War attached to the protocols of the sessions of the Chiefs of the General Staff of the Allied Armies. Colonel Matton wrote that we expressed our complete readiness to meet the desires of the French, but it is assumed by us that the signature of the Minister of War would suffice, in view of the position occupied by the Minister to his Imperial Majesty in the disposal of all questions concerning the army. Furthermore, Colonel Matton developed this thought indicating the fact that the Prime Minister in Russia has

only very indirect relation to the Department of War, which does not exceed the limits of budget assignments, and that it is also desirable, possibly, to reduce the number of persons to whom the protocols of the sessions may be known.

Of course I gave my immediate consent to the above referred and attempted still more to convince General Dubail that we should limit ourselves to the agreement that only the signatures of the Ministers of War should be necessary, to which his Excellency expressed his agreement. Thus this question may now be considered settled.⁵

MILITARY AGENT, MAJOR-GENERAL
COUNT NOSTITZ.⁶

SECRET REPORT OF THE MILITARY AGENT IN FRANCE, COUNT G. I. NOSTITZ, TO THE CHIEF OF THE GENERAL STAFF, Y. G. JILLINSKY, DATED JAN. 17 (4), 1912. No. 6⁷

Jan. 17 (4), 1912. No. 6

In the dispatch of Colonel Matton which was read to me by General Dubail (see report of Jan. 4, this year, No. 5), the military agent reported (in a form not quite clear), the following conversation which he had with your Excellency: Your Excellency kindly expressed the thought that it would be desirable to revise the military convention in order to avoid constant repetition of the same remarks and wishes in the protocols of the sessions of Chiefs of the General Staff of the Allied Armies.

General Dubail asked me, in connection with this, to report that he finds that at the present time it would not be timely to change the convention, that this would occasion quite considerable interpretations, which should now especially be very carefully avoided. Furthermore, his Excellency told me that the political horizon is very gloomy, that neither in France nor in Germany is any one satisfied with the convention concerning Morocco, and that his confidential assertions are of a very alarming character, and that he is

⁵Underlined by Nostitz.

⁶A notation on the report made by General Jillinsky: "To the General Quartermaster—J."

⁷Report No. 6 was received by the division of the general quartermaster of the chief direction of the general staff on Jan. 25 (12), 1912. (Entered in the journal under No. 183.)

³The published documents were prepared for print and were supplemented by notes of F. V. Kellin.

⁴Report No. 5 was received in the general quartermaster's department of the chief administration of the general staff, on Jan. 25 (12), 1912. (Entered in the journal under No. 182.)

preparing for the outbreak of war in the Spring: "*Nous travaillons comme si nous avons la guerre.*" To this the General added that the triple and dual alliances have a defensive character and that the art of diplomacy will consist in making out that the French were not the aggressor.

MILITARY AGENT, MAJOR-GENERAL
COUNT NOSTITZ.⁸

SECRET REPORT OF THE MILITARY AGENT
IN FRANCE, COUNT G. I. NOSTITZ, TO
THE CHIEF OF THE GENERAL STAFF,
Y. G. JILLINSKY, DATED JAN. 17 (4),
1912. No. 7⁹

Jan. 17 (4), 1912. No. 7

I had a conversation with General Dubail, Chief of the Staff of the Army, concerning the proposed landing of 150,000 English in France, since our military agent in Great Britain in his communication of Nov. 9 (22), 1911, under No. 180, rather refuted this information.

General Dubail again quite categorically confirmed to me the assurance of English help on the Continent and said that he did not have any basis for doubting the English, and that besides, the naval general staffs in France and England had already entered into close relations and were working together on this question.

The local British military agent in still greater degree confirmed to me last week the certainty of the landing. Our conversation began in connection with the articles which appeared in some of the English newspapers not in favor of the idea of landing a standing English army in France.

He said to me: "These rumors are very unpleasant and quite disagree with the truth. I even today received from the War

Department full confirmation of our readiness to help France on land, and you may in most decisive manner confirm this. So it was decided to act in the Fall and it will be so even in case of new complications. Of course, outside the War Department, not all sympathized with this idea and in the Naval Department some were against it,¹⁰ but these persons were recently dismissed, and with the aim of guaranteeing, in reference to this very question, the joint action of the army and fleet, there was recently formed a general staff of the navy."

The Imperial Ambassador to whom in September I reported this information, which was received by me from General Dubail concerning English landing (see my report of Sept. 1, 1911, under No. 299), had a conversation on this subject with the French Minister of Foreign Affairs who confirmed in his presence everything that was told to me by the Chief of the Staff of the Army.

In view of the above explanation, I do not see any foundation to doubt the real help which England is preparing to render France in case of war with Germany, since the French Government is convinced of it.

In such case it is interesting to make an estimate of the forces of both combatants.

As your Excellency knows, against Italy the French expect to leave only insignificant forces (Alpine sharpshooters and one colonial division)¹¹; at the present time, as a consequence of the expedition into Tripoli it may be said there are many reasons to act so. On the other hand, the union with England will make it possible to transport from Africa the Nineteenth Army Corps, and six English divisions, being in reinforced form, may be compared to four army corps.

Therefore, the Anglo-French will have twenty-five army corps¹² (reserve formations, for simplification, I do not take into account). Germany will be forced to leave against us from three to five corps. Besides this, one or two army corps will be necessary for the watch of the Belgian Army, inasmuch as the violation of the

⁸A notation of General Jillinsky on the report: "I ask to notify Count Nostitz that my conversation had a private character and that the question of revision of the convention, as I already told Colonel Matton, may be raised only in the advent of absolute political calm.—Jillinsky." The contents of General Jillinsky's remark were communicated to Count Nostitz by the dispatch of General Danilov, dated Feb. 2, 1912 (Jan. 20). (Entered under No. 74.)

⁹Report No. 7 was received by the general quartermaster's department, chief administration of the general staff, on Jan. 25 (12). (Entered in the journal under No. 184.)

¹⁰As General Yermolov has reported about that—this remark was given in the original.

¹¹These troops will remain against Italy only temporarily until the situation will become clear. This note was given in the original.

¹²The French Army consists of twenty army corps and the colonial corps, of which four have three divisions each: VI, VII, XIX, and the colonial. Note in the original.

neutrality of Belgium by them (Germany) is more than probable. Therefore, the superiority of forces will be transferred to the side of the Anglo-French, even in case Spain should join Germany.

Since 1870 France never had such a profitable strategical position: its army is in very good condition (in spite of all talk of her ill-wishers and slanderers), its finances are such that better could not be desired; the patriotism of the population could be fully counted on, as the events of last Summer showed. France has two powerful allies, while the Triple Alliance, as they say, "is ripping in the seams."

Finally, it is also necessary to account for a factor of moral character. The generation which survived the war of 1870 in France had a hidden feeling of fear toward Germany; the memory "*de l'année terrible*" which made the men of those days throughout their life inclined to exaggerate the power of German arms, and the French, who are devoid to self-praise, agree with this; while the succeeding generation, that is, persons who are not more than 45 years old, absolutely do not know this feeling; many of them had been in Germany and could evaluate negative sides of her power: "*On n'a plus peur du Prussien en France*," an officer of high rank told me recently.

It is also necessary to take into consideration the conviction of the French that sooner or later war is inevitable.

All this taken together constitutes quite an alarming atmosphere, and my opinion is that if Germany will not change her attitude toward France, her policy of teasing and threatening, the first big incident (like Agadir) will cause a conflict.

MILITARY AGENT, MAJOR-GENERAL
COUNT NOSTITZ.¹³

VERY SECRET REPORT OF THE MILITARY
AGENT IN GREAT BRITAIN, N. S. YER-
MOLOV, TO THE CHIEF OF THE GENERAL
STAFF, Y. G. JILLINSKY, DATED JAN. 17
(4), 1912. No. 3¹⁴

London, Jan. 17 (4), 1912. No. 3
Your High Excellency
Dear Sir
Jacob Gregorovich.

¹³There is a remark of General Sukhomlinov on the report: "Communicate this to the Minister of Foreign Affairs."

¹⁴Report No. 3 was received by the general quartermaster's department, chief administrator of the general staff, on Jan. 25 (12), 1912.

Yesterday the French Military Agent in London, Colonel Huguet, visited me, and in a private conversation informed me that in France the expectation of war with Germany in the near future is getting stronger and stronger. According to the words of Colonel Huguet, public opinion in Germany, which put so much hope upon the army, may not peacefully accept the diplomatic failures of the past year in the Moroccan question, which are offensive to Germany's self-respect. The increase of military and naval armaments in Germany progresses without interruption. Besides that—and this is most important—Germany fully realizes *that at the present time she can attack England only by way of France*¹⁵—by offending France—and therefore in Germany all attacks in the press and in public, which up to the present time were made almost exclusively against England, now are beginning to be aimed with greater and greater bitterness and acuteness against France. It is quite probable that the pacifism of the German Emperor will soon be incapable of restraining these hostile impulses. In the opinion of Colonel Huguet, in France at the present time the feeling with reference to the expectation of war is still much more tense than it was during the Moroccan crisis. Besides this, according to Colonel Huguet, the French General Staff is beginning to realize that it would be profitable for Germany: (a) to begin war *this Winter, before Spring*, while the lack of good roads and thawing of snow will hinder and delay the mobilization in Russia; (b) *to find a cause of conflict with England without any further delay*, in order to terminate and stop the unending and wasteful parallel contest in the increase of naval armaments in both States.

Such are the considerations communicated to me by Colonel Huguet.

On my part, with regard to the expectation of the possibility of war in the near future, I count it to be my duty to report to your Excellency that here in England the high tension of expectation of war is increasing: Stock Exchanges in London and Paris are quite restless; English commercial papers, stocks and bonds, and investments, are falling in value; the impending general strike of miners increases the alarm of the population and gives it a more gloomy character. The rumors about the appointment of Delcassé as

¹⁵This is letter-spaced in the original and was underlined by General Yermolov

Minister of Foreign Affairs had such a disturbing effect that the insurance premiums on the insurance of cargo against dangers of war in London immediately rose to 5 per cent, then to 8 per cent, and finally, during recent days, to 12 per cent. This led to the idea of concentrating the armies of the Aldershot district in the form of a camp, assembling somewhere closer to the eastern coast. Between the English General Army Staff and the more recently created Naval General Staff full agreement of opinion has been reached, and the Admiralty will not, as it was said last Fall, have secret doubts concerning the possibility of transporting the English expeditionary forces across the Channel to the shores of France.

N. YERMOLOV.¹⁶

SECRET REPORT OF THE MILITARY AGENT IN FRANCE, COUNT G. I. NOSTITZ, TO THE CHIEF OF THE GENERAL STAFF, Y. G. JILLINSKY, DATED FEB. 1 (JAN. 19), 1912. No. 39¹⁷

Feb. 1 (Jan. 19), 1912. No. 39

In view of the departure of General Dubail and the conversation which took place recently between us, about which I made a report to your Excellency on Jan. 4, this year, No. 6 and No. 9, I considered it necessary to ask General Joffre to confirm what General Dubail said to me. His Excellency fulfilled my request.

Besides this, General Joffre told me that now in the War Department there are intense efforts going on in order that everything shall be in complete readiness should war break out in the Spring; that everything with regard to English disembarkment is in readiness up to some insignificant details, so that the English Army might take part in the first general action; that he regards the movement of the Germans across Southern Belgium as

something very favorable to the French. On this basis it is possible to conduct the war, in the first place, not on their own territory, and, secondly, in a region where the adversary has no fortifications.

And so, desiring to know to what extent General Dubail determined the point of view of General Joffre with respect to our cooperation in case of a Franco-German war, I touched upon this question. It appeared that the head of the general staff had a sufficient measure of information, inasmuch as he displayed no apprehension lest our seemingly tardy preparedness would deprive us of the possibility of rendering actual assistance to France in the first days. On the contrary, General Joffre said that he knew that we shall be in a position to hold in check on our frontier the German corps which are there at the time. But his Excellency in this connection added that he considered it very desirable that the Germans should know this. * * *

In reference to this matter, I take the liberty to announce my personal views. Abroad a mass of articles, pamphlets and books are making their appearance, in which the probable war plans are analyzed and criticised. In them there is much imagination; but inasmuch as in this new branch of war literature very prominent military writers take part (as, for example, General Falkenhäusen), eventually one may formulate for one's self some sort of a conception of the views that prevail at a given time in military circles, views concerning the most purposeful method of conducting the impending military operation. Thus, for example, the probable violation by the Germans of Belgian territory has evoked a number of very interesting articles.

We have no such literature, and all that pertains to the army, its forces and its military preparedness, is known only to a few. And this gives an opportunity for a few military writers to spread absolutely false reports concerning its working ability and its real help and that real help which we can contribute to the French; as for example, General Metro did in an article, about which I presented a report (No. 8) on Jan. 4 of the present year. Such rumors, of course, were in a high degree valuable to the Germans. And meanwhile it would be possible to place a few interesting and useful articles (*pour notre cause commune*, as the French say) in the Russian newspapers or the journals, or in separate publications; for instance, "The

¹⁶A remark is made on this report by General Sukhomlinov: "Communicate the contents of this letter to the Minister of Foreign Affairs 11/I.—S." In the letter of Feb. 4 (Jan. 22), entered under No. 1804, Sukhomlinov communicated to Sazanov the contents of the reports of Count Nostitz, No. 7, and General Yermolov, No. 3. An excerpt from the report of General Yermolov was sent in accordance with the order of General Danilov to the military agent in Berlin, Count Bazarov, with the secret dispatch of Feb. 6 (Jan. 24), 1912, under No. 76.

¹⁷Report No. 39 was received by the general quartermaster's department, chief administrator of the general staff, on Feb. 8 (Jan. 26), 1912. (Entered under No. 354.)

Russian Railways in Relation to Military Activities Now and Twenty Years Ago," "Russia and France in the Struggle With Germany," "What Form Russia's Aid to France Should Take During the First Period of the War," &c.

MILITARY AGENT, MAJOR-GENERAL
COUNT NOSTITZ,¹⁸

SECRET REPORT OF THE MILITARY AGENT IN GERMANY, P. A. BAZAROV, TO THE QUARTERMASTER GENERAL OF THE CHIEF DIRECTION OF THE GENERAL STAFF, U. N. DANILOV, DATED MARCH 1 (FEB. 17), 1912. No. 73¹⁹

Berlin, March 1 (Feb. 17), 1912. No. 73

As a sequel to the note forwarded to me from the report of the military agent in Great Britain, I had, among other things, a conversation with the local French military agent, Major Pellé, who is well versed in questions of a military political character concerning Germany, owing to his lengthy sojourn in Berlin as military agent.

The mutual exchange of ideas brought us to the following conclusions:

At the time of the Moroccan crisis the attacks of the German press and the feelings of certain strata of German society against France were unquestionably sharper than at the present time. The attacks against England, not less violent than those against France, ceased to appear in the press—undoubtedly owing to a command from above, from the moment of the arrival in Berlin of the English General [*sic*] Haldane.

Although at the present time no especial "hostile feelings" against France are noticeable, there is no doubt that the politically developed strata of society and also the army deeply concealed both against France, and particularly against England, the feeling of offense offered to German self-respect by the development of the Morocco question.

The resulting political grouping of political line-up in the near future by States in Europe, wishing to complete the organization of their land forces and to attain a most favorable proportion of naval forces, forced Germany to go almost

to the limit of possible concessions. Meanwhile, the political situation, in spite of the endeavor of Germany to arrive at some agreement with England, changed little. Therefore, fearing defeat and perhaps the entire wiping out of its fleet in case of a conflict with England, which was becoming more and more probable, Germany is forced to seek compensation in a victorious war with France by means of which she hopes to build a new fleet.

Thus, the break with England, the initiation of which in the near future at least can apparently proceed only from England, will lead indirectly to a declaration of war by Germany against France.

Much light should be thrown on the political line-up in the near future by the result of these secret conversations seemingly still going on, even at the present time, between Germany and England, the subjects of which are undoubtedly both the question about the further development of the naval powers of both countries, and even more important, the new army and navy bills which were to be introduced into the Reichstag by the German Government in the near future.

As for the question of Germany's advantage in beginning war in the middle of the Winter or during the Spring in the districts bordering on the Russian plains, it is of unquestionable interest owing to the fact that the Germans are more used to cold as compared to the French, and vice versa, the greater endurance of the French to heat. It will be more advantageous for the Germans to start a campaign during the Winter, the more so because in the Spring they will not meet on their western frontier great difficulties in the passability of the roads, even in the most rainy period of the year. Besides, in case action is directed against France and the operations on the Russian front assume simply a defensive character, it must be admitted that the period preceding the advent of the Spring thaws in the Warsaw military district will be a particularly favorable time for the opening of the campaign by the Germans. And lastly, from the point of view of climatic conditions and the conditions of the roads, it is also essential to take into consideration the means offered by the action of the Austrians especially in this latter theatre of operations.

Altogether the totality of indications existing at present leads to the conclusion that Germany is preparing itself energetically for a war in the very near

¹⁸There is a memorandum of General Sukhomlinov on the report: "It is inapt.—S. 25/I."

¹⁹Report No. 73 was received and handed to the quartermaster general of the chief direction of the general staff on March 5 (Feb. 21), 1912. (Entered in the journal under No. 576.)

future. At the same time undoubtedly, neither the Emperor nor certainly the greater part of the German people at the present time desire war.²⁰ However, in case of the recognition of its inevitability, it is more than likely that the first military steps will be taken by Germany—Germany, who, in order to equalize in a certain degree her chances of success in a battle with the English fleet, and in order to secure for herself an advantage in the initial position in her struggle against France, can count only on a surprise attack. The organization of military land and naval forces of Germany makes this entirely possible.

COLONEL OF THE GENERAL STAFF
BAZAROV.²¹

SECRET REPORT OF THE MILITARY AGENT IN
FRANCE, GENERAL G. I. NOSTITZ, TO
THE CHIEF OF THE GENERAL STAFF,
Y. G. JILLINSKY, DATED APRIL 11
(MARCH 29), 1912. No. 146²²

²⁰Underlined by Bazarov.

²¹There is a note on the report of General Danilov: "Report to the Chief of the General Staff—Major General Danilov, 25/II," and also a note by the first head quarter-master of the chief administration of the general staff, Monkevitz: "Copies for military agents in Switzerland, Great Britain, Belgium, France, Sweden and Austria-Hungary, for the staffs of Warsaw and Vilna districts, 29-II-1912—Monkevitz."

²²Report No. 146 was received by the quartermaster general's department of the chief direction of the general staff on April 17 (4), 1912. (Entered in journal under No. 1060.)

April 11 (March 29), 1912. No. 146

I had a conversation today with General Joffre concerning Franco-German relations. His Excellency had the kindness to read to me the report of the French military agent in Berlin, dated March 23 (April 5) in which Colonel Pellé, emphasizing the peace-loving inclinations of Emperor William and his Chancellor, reported on the cessation of the abnormal activity manifested by the great general staff during the period just passed, but at the same time the military agent called attention to the feeling of offended pride remaining in the hearts of the Germans after the events of last Summer, *et cetera*.

The opinion of General Joffre was that in Germany they do not wish war, except in certain circles, inasmuch as the Germans do not feel themselves strong enough to count on real success. On the contrary, they think in Germany that the French will be looking for an excuse for war: "*mais ce n'est pas le cas*," said the General; "although for a long time we have not been in such a good position for the beginning of military operations, yet I am also aware that in the course of two or three years, you will be much better prepared than at the present time."

Through the MILITARY AGENT,
MAJOR-GENERAL COUNT NOSTITZ.²³

²³On the report there is a note of General Jillinsky: "To the Quartermaster General —J."

Friends With Roosevelt

By ALBERT BUSHNELL HART

PROFESSOR EMERITUS, HARVARD UNIVERSITY

THE DEMAND for great men in the United States has always far outrun the supply. To be sure there have been such publications as *The One Thousand Greatest Men in Idaho*, but jurists have pruned the list of the American great down to John Smith, George Washington, Thomas Jefferson, Patrick Henry and Robert E. Lee, all friends and neighbors. Certainly nine-tenths of the great men of the Civil War period have been planed down in reputation by the lapse of sixty-five years. The really great, headed by Lincoln and Lee, stand out more clearly as time goes on, but what has become of the Charles Sumners and the Alexander H. Stephens? Who reads their speeches or writes their lives or names their sons for men so conspicuous as they were in their own time?

In the generation after the Civil War vigorous, stubborn and hard-headed statesmen came to the front. Such were Grover Cleveland and that mysterious, hard-headed, far-sighted Richard Olney, and they are not yet forgotten. That undeniably great spirit Bryan was a combination of Patrick Henry and Samuel Adams, a man who had more power to influence the minds of voters by his marvelous art of oratory than any other public man of his time. He was neither a financier nor a publicist, yet came near securing the adoption of free silver, and as Secretary of State approached the triumph of boxing the foreign policy of the great United States.

The American appreciation of greatness has been confused by several almost accidental conditions. The American Revolution resulted in a theory that politics required the existence of two parties, one controlled by the few and one controlled by the many, and that those two parties were founded on the written and spoken precepts of

two prodigiously able statesmen, Alexander Hamilton and Thomas Jefferson. Each of them laid down a set of political principles which became party creeds and which still animate the divergence between the Democratic and Republican parties. As a matter of fact Jefferson was not so Jeffersonian as later generations have believed. When it came to annexing Louisiana, President Jefferson did not hesitate to walk over the prostrate New England Federal States, while Alexander Hamilton was an adept in subterranean party management.

The main interest in the eighteenth century Hamilton and Jefferson is that they stand as prototypes of Woodrow Wilson and Theodore Roosevelt, the two undeniably greatest Americans of the last half century. Wilson resembled Jefferson in many respects—in his amazing power of making the English language talk politics to the people and in his ability to turn his back on a long-pursued policy in foreign affairs when it became clear that the policy of non-resistance was worn out. Roosevelt much resembled Hamilton in his governmental versatility, his power of command and his vigorous and nervous use of the English language in political affairs.

Around Wilson and around Roosevelt have grown up in the years since they ended their careers (while still comparatively young and vigorous men) a haze of tradition and of reminiscence, an overdose of biographies, an effort on both sides to create a system of study and biography and inculcation of political principles.

Friends of Wilson have endowed a foundation intended to teach doctrines of political organization and the principles of world politics, but the Rooseveltians have by far the best of it in their effort to keep public attention directed upon the man of their admira-

tion. Wilson had many admirers and some warm friends, but it was not in him to make close contacts with ranchmen and kings and policemen and rough-riders and ornithologists and experts in old Norse. The foundation stone of Theodore Roosevelt's present reputation as a great man is in his vast contacts with human nature. Any one who has ever seen him receive fifty people at once in the White House, contributing to each one something that he did not give to the others, realizes the deep-seated and intextinguishable humanity of Theodore Roosevelt.

Probably no man in the world of his time ever had such a variety of personal experiences with men and women of all races and conditions. From boyhood on he made intimate friends in ten minutes, friends that stood by him for thirty years. At the time of his death there were probably five thousand people alive whom he could call by their first names and who knew him as "Theodore." Several of those intimate friends wrote books bearing on their personal relations with Roosevelt.

A growing literature has appeared including many volumes of memoirs and reminiscences. Roosevelt was himself no tyro in literature. His published works have been gathered into a collection of twenty-four volumes, which do not include all he wrote between covers and include only a part of his multifarious contributions to periodicals and newspapers. He wrote thousands of private letters, many of which have been published and others will furnish material for the forthcoming Roosevelt Encyclopedia which will classify several thousand of his pungent criticisms and assessments of human nature.

So many people had long-standing congenial personal relations with Roosevelt, he wrote so many letters, he expressed his mind so frankly and unreservedly in conversation that the reminiscer has flourished. From time to time there have appeared such volumes as Owen Wister's *Roosevelt: The Story of a Friendship*. A lot of young men knew Roosevelt as classmate and as

college-mate in the great days of 1876-1880 when he was a Harvard student. Among them was Owen Wister, separated by three years in the catalogue. It does not appear from the book that he claims anything resembling intimacy in that period. The first evidence of direct personal friendship was in 1893, when Wister's delightful frontier stories opened up a new world of fiction in which Roosevelt was deeply interested. The first gem in the recently published book is Wister's account of the late President Roosevelt remarking, "I wish I knew how Washington managed to do his work."

What might be called political intimacy with Wister appears to have come about at the time of the Spanish War and Roosevelt's subsequent Governorship of New York. From that time until the death of Roosevelt, correspondence with Wister appears to have been frequent and there was an occasionally renewed intimacy. New light is thrown by the book upon Roosevelt's relations with Boss Blatt and his brief service as Assistant Secretary of the Navy. However, there is no record of any conversation or correspondence that reveals what was not already known to the American public as to Roosevelt's ambitions and his responsibility for the fight at Manila Bay and for the fight at San Juan Hill.

From the time that Roosevelt actually entered the White House as the head of the nation there appears a genuine intimacy, and Wister records a number of those meteoric sayings of Roosevelt that so enlivened conversation at the White House. He accents that coming and going, that stir and vigor, that interest in the newspaper boys, that intense outgiving, unwearying body and mind of the President. Henry Adams of Massachusetts (almost the only man of that celebrated family who has to be identified by his State) was one of the habitués. Judge Oliver Wendell Holmes, Henry Cabot Lodge, Elihu Root, Leonard Wood, Gifford Pinchot, Winthrop Chandler, all these appear upon the easel of this painter of a Roosevelt milieu.

The critical point in the life of Theodore Roosevelt is, as everybody knows, his political campaign of 1912, which really began in 1910 when at the commencement luncheon at Harvard Roosevelt announced that he was going to support Governor Hughes of New York for re-election. That led on by a natural sequence to the Chicago convention of 1912 and the Roosevelt bolt. Wister's diagnosis is as follows: "He forced himself onward, unhappy, haunted by doubts as to the validity of his own position, yet able to keep up his momentum because all the combative elements in him, the preacher militant, the canny political strategist, were aroused; and they saw him through. * * * The hurricane put him into mental haste, deprived him not only of the leisure, but of the critical detachment, with which he was in the habit of going over a public address beforehand, pruning down overemphatic statements and balancing one statement against another."

Then followed the troublous twelve months from February, 1911, to February, 1912. According to Wister, "the hurricane was blowing ever and ever more fiercely. He was exaggerated alike by the lunatic fringe of friends and enemies, whose language did not fall far short of making him out in their papers every morning both the savior of the nation and the enemy of mankind. The lunatic fringe of his enemies was by now in hysterical alarm lest he break into the White House again."

Wister's own attitude can best be described in his own words: "I was not in their place, I was not afraid of him; I had heard him run away with himself in private; and now the roughness of his public phrases in my opinion corresponded as little with what his deliberate acts were likely to be, as it always had. I was not much enamored with the initiative and referendum, still less with the recall; I classed them with those quack medicines of which Americans are so fond." Notwithstanding these gloomy anticipations, Wister, like many other of Roosevelt's friends, pulled off a rous-

ing Roosevelt meeting in Philadelphia.

There are others who know much more than Wister about the course of the Chicago convention. The Roosevelt men of that crisis have not Mr. Wister's detached view of the attitude of Chairman Root. There were plenty of Roosevelt men who did not, like Mr. Wister, go away to tell their friends that they "almost hoped that Wilson would win." He records an interview with President Eliot of Harvard and reports that sage's dictum on Roosevelt, "I could not support him. He is too headlong." Nevertheless, Wister reappeared after San Juan Hill and talked over his own projected books with a generous friend.

The latter part of Owen Wister's book is devoted chiefly to a discussion of the attitude of Wilson upon the war, bitterly criticizing him for leaving Ambassador Page's letters unopened, taking from Wilson the credit for the League of Nations. Wister quotes friendly and hospitable letters from Roosevelt which show how in his latest years he revived earlier friendships, and bore no malice to supporters once weak-hearted.

Thus, Wister was one of the privileged five hundred or so who had intimate contact with Roosevelt at various periods in his private and public life, especially in literary matters. He does not appear to have shared the great man's intimate political beliefs and intentions. In the greatest crisis of Roosevelt's life, Wister was undeniably outside the pale. There must be at least a thousand living people who are better acquainted with Roosevelt's point of view, policy and political principles in 1912 than Wister. After all, the American people did not love Theodore Roosevelt because he was or was not a politician, or because he was not an intellectual and literary force or because he was or was not a profound scientific man, or because he was kind and hospitable and gracious. The men and women who loved Theodore Roosevelt loved him because he was Theodore Roosevelt and demanded no more.

CURRENT HISTORY IN CARTOONS



THE EAGLE ADOPTS THE DOVE
—Adams Service



BETTER THAN NOTHING
—St. Louis Post-Dispatch

Sam the Cynic:
"The world?
Pooh! Just a lit-
tle plaything of
mine!"
—11 "420," Florence



CURRENT HISTORY IN CARTOONS



**LETTING
UNCLE
DO ALL
THE
WORK**
—*New
York
Herald
Tribune*



**THE
OBSTRUCTIONISTS**
—New
York
Herald
Tribune

THE NEW ANIMAL TRAINER
—New York Times

CURRENT HISTORY IN CARTOONS



WE CAN USE WOOL BUT NOT WHISKERS

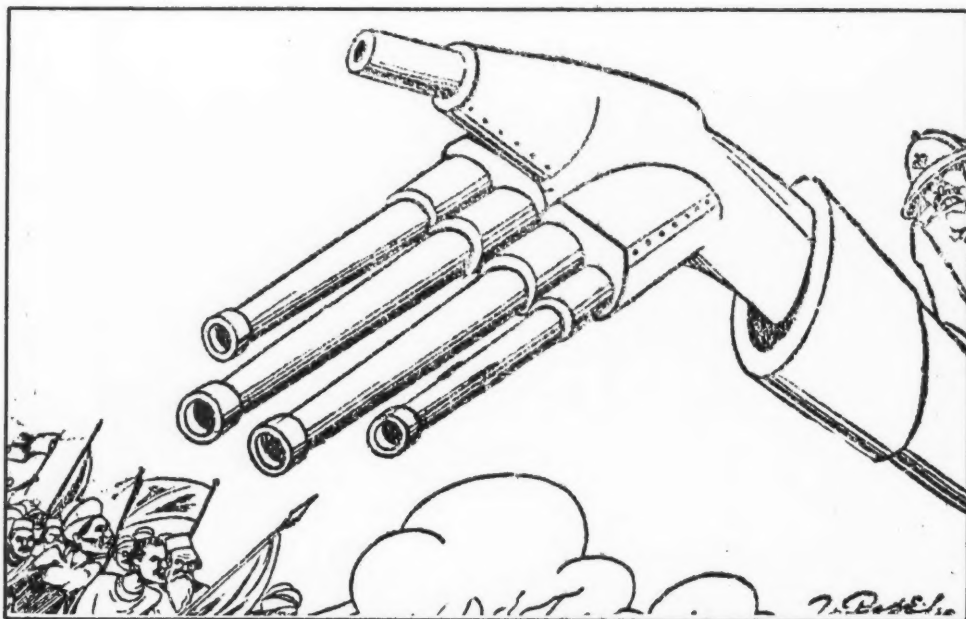
—New York American



"ME TOO!"

—New York World

CURRENT HISTORY IN CARTOONS



THE
BRITISH
LABOR
GOVERNMENT
EXTENDS
ITS HAND TO
INDIA

—Pravda,
Moscow



TARIFF AND
WAR DEBTS
Insatiable Uncle
Sam: "And now
your shirt"

—Il "120,"
Florence

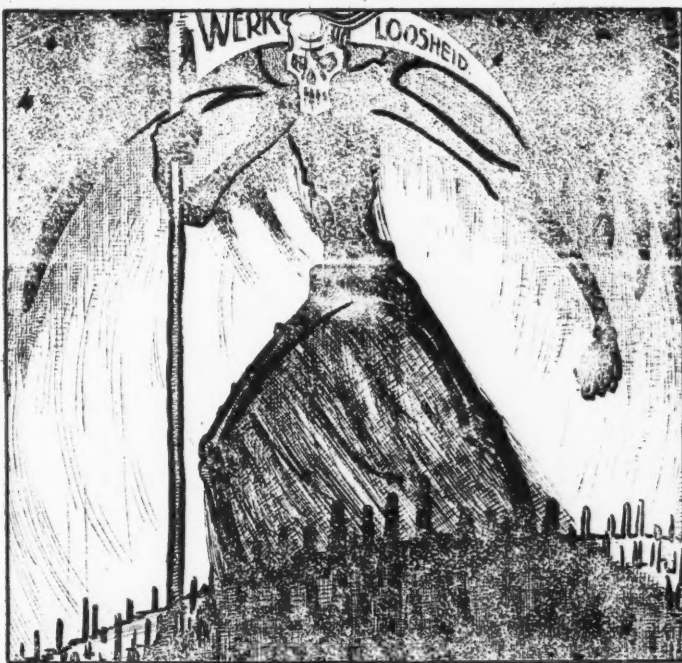
CURRENT HISTORY IN CARTOONS



THE WITCHES' CAULDRON IN PARIS
In spite of the pleasant odor, sensible people know what is being distilled from German gold
—Klad-deradatsch, Berlin



BRIAND'S PAN-EUROPEANISM
The two sides of the medal
—Izvestia, Moscow



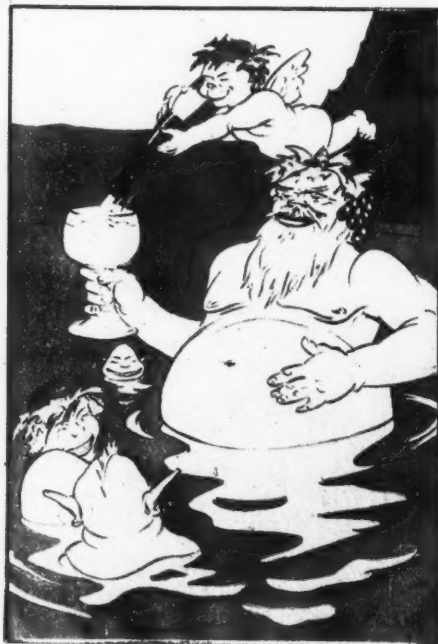
UNEMPLOYMENT
The dark shadow over the earth
—Notenkraker, Amsterdam

CURRENT HISTORY IN CARTOONS

LONGING
FOR THE
RHINE

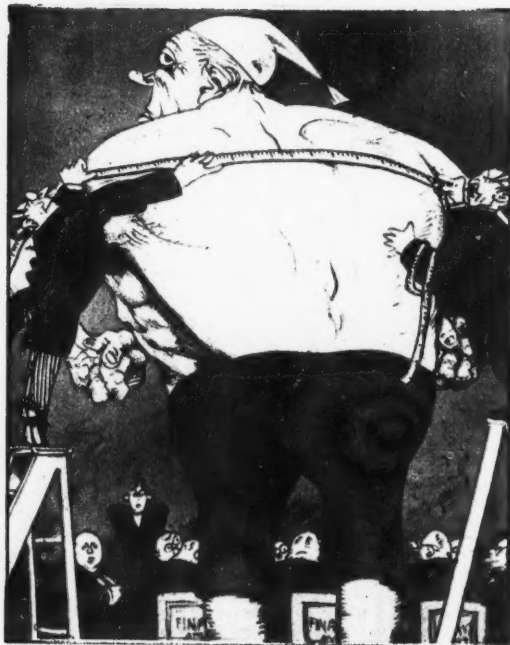
"Ich weiss
nicht, was
soll es
bedeuten,
Dass ich so
traurig bin!"
(I know not
why I am so
sad)

—Kladderadatsch, Berlin



Father Rhine: "Children, when
I have finally got over this cursed
'Frenchitis,' I will get better and
better every day"

—Kladderadatsch, Berlin



THE GERMAN BUDGET CRISIS

Tax-Collectors: "Let's measure him to see if
he can stand a bigger burden!"

—Kladderadatsch, Berlin

Unemployment a World-Wide Problem

By NATHAN S. FINE

EDITOR, *The American Labor Year Book*

IMMEDIATELY AFTER the World War began in 1914, an important newspaper ran a leading editorial entitled "The Twilight of Kings," which predicted the fate of some of the former rulers of Europe. Today, it needs no prophetic vision to describe the world-wide unemployment of 1930 as the sword of Damocles for presidents, prime ministers and dictators. President Hoover faces the prospect of still greater difficulties than he has so far experienced. Hermann Mueller resigned as Chancellor of Germany on March 27, 1930, and Ramsay MacDonald has reorganized his Cabinet. Benito Mussolini may perhaps begin to do more than make warlike speeches. It is, in a word, the order of the day to examine the extent, the causes and proposed remedies for a phenomenon as far-reaching in some ways as the World War.

The figures (Tables I and II on the next page) on world unemployment from 1926 to 1930 are taken from various issues of the *Monthly Bulletin of Statistics* of the League of Nations up to and including the May, 1930, number, the latest available.

It should be noted that no figures are given for the United States, the Soviet Union, Japan, nor for any of the countries of Asia, Africa, Central and South America. The problem of unemployment is a very serious one in the first three and in many of the others.

Meredith Givens and Leo Wolman prepared for the National Bureau of Economic Research the average minimum volume of unemployment of non-agricultural labor in the United States from 1920 to 1927 (Table III on the next page).

The Social Affairs Bureau of the Home Department of Japan made pub-

lic on Nov. 1, 1929, the following figures:

Kind of Workers.	Number Investigated.	Number of Unemployed.	P.C. of Unemployed.
Wage earners.....	1,600,090	61,808	3.36
Day laborers.....	1,568,332	114,741	7.52
Other laborers.....	3,716,984	123,646	3.33
Total	6,885,406	300,195	4.36

Unemployed workers registered in Soviet Russia (U. S. S. R.) numbered 1,571,060 in May, 1928; 1,593,600 in May, 1929, and 1,235,600 in January, 1930. Figures for the "A B C" countries of South America, to say nothing of the smaller ones, for China, India and other lands are not at hand.

The most important conclusion to be drawn from the tables of figures set forth is that there was extensive unemployment in many countries, including the United States, before the panic of October-November, 1929, broke out. Even France faced a problem in 1927. The world-wide depression which set in during the Fall of 1929 made the unemployment situation much worse for Australia, Austria, Germany, Great Britain, Italy, Japan, Poland, and some of the Baltic and Scandinavian nations, and dragged a great number of others down with them. There was unemployment, to repeat, before the present world-wide cyclical decline began, and there will be considerable unemployment even when the next cycle reaches its crest.

The absolute figures given for those in receipt of benefit or registered do not include the partially unemployed, a larger or smaller class. Again, only a certain percentage of the non-agricultural workers are allowed benefits under the various unemployment insurance schemes abroad, or permitted to register. Finally, the number out of work must be compared with the work-

I—UNEMPLOYMENT BY COUNTRIES, 1926-1930.

(Unemployed in receipt of benefit or registered, March, each year.)

Country.	1926.	1927.	1928.	1929.	1930.
Austria	202,000	236,000	220,000	252,000	239,000
Estonia	2,000	4,000	3,000	4,000	4,000
Finland	2,000	2,000	2,000	3,000	10,000
France		70,000	10,000	1,000	2,000
Germany	1,942,000	1,345,000	1,208,000	2,091,000	2,347,000
Great Britain	1,171,000	1,188,000	1,128,000	1,204,000	1,694,000
Holland	22,000	27,000	20,000	52,000	36,000
Italy	109,000	228,000	412,000	293,000	385,000
Latvia	4,000	4,000	6,000	9,000	6,000
Poland	296,000	206,000	167,000	170,000	289,000
Rumania			20,000	58,000	13,000
Yugoslavia			8,000	12,000	10,000

II—UNEMPLOYMENT BY COUNTRIES, 1926-1930.

(Percentage of trade unionists reported out of work in March.)

Country.	1926.	1927.	1928.	1929.	1930.
Australia	8.2	5.9	10.7	9.3	14.6
Belgium	*1.4	1.8	0.8	0.9	2.2
Canada	7.3	5.7	6.5	6.0	10.8
Czechoslovakia	2.5	2.5	1.6	2.7	4.0
Denmark	21.2	26.2	21.3	21.9	16.9
New Zealand		9.4	11.4	9.2	8.5
Norway	25.9	28.2	24.4	20.0	18.9
Sweden	12.0	14.1	13.2	14.4	12.2
Switzerland	*2.7	2.8	1.9	1.6	2.6

* Unemployment insurance societies or funds.

III—UNEMPLOYMENT IN THE UNITED STATES, 1920-1927.

(In thousands.)

Year.	Total Supply of Non-Agricultural Labor.	Estimated Numbers Unemployed.	Per Cent Unemployed.	Year.	Total Supply of Non-Agricultural Labor.	Estimated Numbers Unemployed.	Per Cent Unemployed.
1920.....	27,558	1,401	5.1	1924.....	30,234	2,315	7.7
1921.....	27,987	4,270	15.3	1925.....	30,941	1,775	5.7
1922.....	28,505	3,441	12.1	1926.....	31,808	1,669	5.2
1923.....	29,293	1,532	5.2	1927.....	32,695	2,055	6.3

ing class population, the wage and salaried workers, including or excluding farm labor. On the basis of the data, which is either official or expert, the United States easily had the largest total unemployed in 1930, from 3,000,000 to 5,000,000; Germany came next, with 2,347,000 in March; Great Britain, 1,694,000; Italy, 385,000; Austria, 239,000; Poland, 289,000, and Soviet Russia, in January, 1930, 1,235,000. Japan reported over 300,000 at the close of 1929. With the exception of France and some relatively unimportant industrial or industrial-agricultural countries, the world today faces a very difficult unemployment situation. What are its causes?

It has already been stated that the present aggravated unemployment situation is due to a world-wide cyclical

depression. A recession in business activity, mild or severe, short or prolonged, frequent or infrequent, and nation-wide or world-wide, with its attendant reduction in the volume of employment and the purchasing power of consumers, is a phase of the business cycle. The United States has one of the shortest business cycles. The recession of 1921 was world-wide and severe. The recessions of 1924 and 1927 in the United States were much milder. The world-wide depression of 1930 approaches that of 1921.

Wesley C. Mitchell, an authority on the subject, has explained the nature of business cycles and that phase of them, depressions, as follows:

Business men long thought of crises as "abnormal" events brought on by some foolish blunder made by the public or the government. * * *

Longer experience, wider knowledge of business in other countries, and better statistical data have gradually discredited the view that crises are "abnormal" events, each due to a special cause. The modern view is that crises are but one feature of recurrent "business cycles." Instead of a "normal" state of business interrupted by occasional crises, men look for a continually changing state of business—continually changing in a fairly regular way. A crisis is expected to be followed by a depression, the depression by a revival, the revival by prosperity, and prosperity by a new crisis. * * *

There follows a period during which depression spreads over the whole field of business and grows more severe. Consumers' demand declines in consequence of wholesale discharges of wage earners, the gradual exhaustion of past savings, and the reduction of other classes of family incomes. With consumers' demand falls the business demand for raw materials, current supplies, and equipment used in making consumers' goods. Still more severe is the shrinkage of producers' demand for construction work of all kinds, since few individuals or enterprises care to sink money in new business ventures as long as trade remains depressed and the price level is declining. The contraction in the physical volume of business which results from these several shrinkages in demand is cumulative, since every reduction of employment causes a reduction of consumers' demand, and every decline in consumers' demand depresses current business demand and discourages investment, thereby causing further discharges of employes and reducing consumers' demand once more.

With the contraction in the physical volume of trade goes a fall in prices; for, when current orders are insufficient to employ the existing industrial equipment, competition for what business is to be had becomes keener. This decline spreads through the regular commercial channels which connect one enterprise with another, and is cumulative, since every reduction in price facilitates, if it does not force, reductions in other prices, and the latter reductions react in their turn to cause fresh reductions at the starting point.

As the rise of prices which accompanies revival, so the fall which accompanies



—De Notenkraker, Amsterdam

UNEMPLOYMENT

The best-bearing tree this year

depression is characterized by marked differences in degree. Wholesale prices usually fall faster than retail, the prices of producers' goods faster than those of consumers' goods, and the prices of raw materials faster than those of manufactured products. The prices of raw mineral products follow a more regular course than those of raw forest, farm, or animal products. As compared with the general index numbers of commodity prices at wholesale, index numbers of wages and interest on long-time loans decline in less degree, while index numbers of discount rates and of stocks decline in greater degree. The only important group of prices to rise in the face of depression is that of high-grade bonds.

Of course, the contraction in the physical volume of trade and the fall of prices reduce the margin of present and prospective profits, spread discouragement among business men, and check enterprise. But they also set in motion certain processes of readjustment by which depression is gradually overcome. (National Bureau of Economic Research, *Business Cycles and Unemployment*, published by McGraw-Hill Book Company, New York).

Eighty-two years ago, in 1848, Karl Marx and Frederick Engels, the foun-

ders of modern socialism, compared our society with its gigantic means of production and of exchange with a sorcerer "who is no longer able to control the powers of the nether world whom he has called up by his spells." They felt that the commercial crises by "their periodical return put on its trial, each time more threateningly, the existence of the entire bourgeois society. * * * In these crises there breaks out an epidemic, the epidemic of overproduction. * * * There is too much civilization, too much means of subsistence, too much industry, too much commerce. * * * And how does the bourgeoisie get over these crises? On the one hand, by enforced destruction of a mass of productive forces; on the other, by the conquest of new markets and by the more thorough exploitation of the old ones. That is to say, by paving the way for more extensive and more destructive crises, and by diminishing the means whereby crises are prevented."

Marxian Socialists declare that the



—De Notenkraker, Amsterdam

DESPAIR OF THE UNEMPLOYED
"Wouldn't I be better off in there?"

problem of production is largely solved. There remain the questions of the ownership of the means of production and their direction and the prevailing methods of the distribution of the products of industry. According to Willford I. King of the staff of the National Bureau of Economic Research, the average wage earner in our country in 1927, with an allowance made for unemployment, received \$1,205, or \$23.17 a week. The purchasing power of the people is not sufficient to absorb the increasing volume of goods turned out under modern methods of production. Foreign markets are exploited. But, in the words of Marx himself, "the market of the world continually contracts, and ever fewer markets remain to be exploited; since every previous crisis has added to the commerce of the world a market which was not known before, or had before been only superficially exploited by commerce." In other words, according to Socialists, there is underconsumption at home because of the profit system, and there is underconsumption abroad because markets become saturated or they become industrialized, with all the internal and external difficulties of the capitalist régime. It is, therefore, only by abolishing interest, rent, profits, and the private ownership and direction of the means of production that purchasing power will be adequate, that production will not outrun demand and that the periodical crisis will become a thing of the past.

The United States was a large factor in the creation of the heightened business activity in the world before—and an important element contributing toward—the panic and depression of 1929-30. Marvelous natural resources, a relatively small population per square mile, restricted immigration, political unity, the economic advantage of not having tariff walls between the States, great mechanical skill, much up-to-date equipment and a pioneering, "go-getting" spirit are factors which ought to make for a high standard of living for all. At the same time, however, the spotted prosperity that existed in our

country between 1923 and 1928 was caused by mass production, scientific management, highly speeded-up and efficient, mobile and fairly well paid labor, a building boom, an extraordinary production of automobiles, instalment selling, financing foreign lands and little competition from the rest of the world. But many of these advantages were transitory. In addition, during 1929 our stock market boom and high money rates attracted capital from abroad and reduced our supplies of long-time credits to those Continental European countries in need of them. The building boom ended at the close of 1928; the automobile boom reached

its crest in the following Fall, and Europe was reviving economically. The decline in our industrial activity became inevitable and the stock market crash merely brought a certain historic period of prosperity to a violent death, ushering in the ghost of hard times. Our connections and ramifications as the leading producer of the world made that passing of outstanding importance.

Those sections of the world producing cereals, cotton, sugar, coffee, wool, jute, hemp, silk, rubber, tin, copper, lead, zinc, silver, coal and crude petroleum have been perhaps the hardest hit because, as in the case of certain manufacturing countries, the reduction in the demand for raw materials which came with the crisis and depression occurred at a time when their prices were already falling. Influenced by the extraordinary high prices following the war and the prevailing scarcity, the producers of grains, cotton and other raw products had pushed output beyond consuming power. There was a gradual decline in the price level. These producers were not able easily to adjust their supply, their mode of production and their price-fixing arrangements to



—Simplicissimus, Munich

CLASS-CONSCIOUSNESS

Anybody can be unemployed nowadays, but willingly to refuse work, that shows class

a very sharp fall in the demand. As a result there was a drastic cut in prices. Purchasing power greatly declined and this in turn reduced the demand for goods and capital both from manufacturing sections at home and from industrial nations abroad.

Simultaneously with this tremendous economic disturbance, the Chinese Generals started another civil war and the Indian nationalists began their civil disobedience campaign. The purchasing power of these peoples for foreign goods fell heavily and further intensified the cyclical depression.

Before the world-wide depression began in the Fall of 1929 certain countries, as has been pointed out, were already facing a serious unemployment situation. In such lands as the United States, which have advanced furthest in productive efficiency, technological unemployment developed. Hundreds of thousands lost their jobs in manufacturing, transportation, mining and agriculture, because of labor-displacing machinery and scientific management. Many of the workers, if not most, were absorbed by certain thriving industries, as well as in distribution and in profes-

sional, personal and domestic service. The process is a very painful one for the individual worker. It remains to be seen whether absorption will continue in the future.

The International Economic Conference, which met in Geneva on May 4-23, 1927, with experts from fifty States present, stressed "the economic isolation of nations, frequently desired or deliberately increased by them; the economic effects of the retracing of frontiers; the elevation, complication, multiplication and ceaseless variation of protective tariffs," as among the causes of our economic ills, and therefore, as sources of unemployment.

Business depressions and consequent unemployment in certain countries are the result also of the development of rivals such as the United States, with its more efficient methods, the loss of a unique position in the world through the rise of the textile industry in Japan, India and China, or the diminished demand for an increased supply of coal. Still other causes are the reduced purchasing power of the wage earners because their real wages are so low, and of the agricultural population because of the continued fall in prices, the decline in oversea migration and the burden of the unemployed army itself. There has, moreover, been an increase in the labor supply which makes the situation difficult apart from population changes. More women are at work and members of the middle classes, ruined by inflation or confiscation, have had to look for jobs. Besides this, there is no compulsory military service and there has been a steady drift from agricultural areas.

Such then are the causes of the world-wide unemployment of 1930—a combination of cyclical and special elements. What of remedies? The problem of unemployment is being met by each country in accordance with the economic or political needs and power of the different classes and parties. Even dictators, such as Benito Mussolini or Joseph Stalin, are not finding it an easy task to keep workers in agricul-

tural villages and to find employment for wage earners in cities.

The workers' organizations demand shorter hours, increased wages and unemployment insurance. They argue that hours must be reduced, if more are to work and consume; wages must be kept high because high wages mean high consuming power and this keeps the wheels of industry going. Unemployment insurance will also help to maintain the purchasing power of the masses.

Economists and enlightened employers suggest greater control of the business cycle and credits, stabilization of industry, regularization of employment, the finding of new markets and the discovery of new articles for old markets, additional lending abroad, freer trade and planned public works.

For Great Britain, rationalization is urged so that she may have a larger share of an increasing volume of world trade, and that she may compete with the United States, Germany or any other rival. Specifically, rationalization means giving up her traditional individualism in business and banking, her adoption of the methods of her successful competitors; mergers and the elimination of backward plants; the installation of newer and better equipment; mass production so far as possible; reduction of friction with labor, and—depending upon the point of view—less or more socialism. For Germany, more foreign trade is prescribed and more loans, so that she may meet her obligations and provide for her people. Reduced taxation and governmental economies are everywhere urged by industrial and financial leaders.

To conclude on the same note as this article began, the unemployment due to cyclical, technological and specifically national causes, is causing great suffering to millions of people. The rulers of the world will either prevent unemployment or ameliorate the condition of those out of work, or else they may find themselves relegated to the rank and file.

Irishmen After Eight Years of Independence

By ALEXANDER JACOB REYNOLDS

AFTER EIGHT YEARS Dublin is slowly recovering from the fever of freedom. But what a changed Dublin it is! The city is now doing penance for its new virtues. Cleansed of municipal sin, it is seeking its salvation in economic sacrifice and humbly awaits the rewards to come.

One of the most vivid memories of my early days in that city is of the bevy of beautiful girls that thronged Grafton Street every afternoon about the tea hour. They enlivened the capital; festive they were but never scandalous. They preferred the wearing of the blue that matched their eyes to the Wearing of the Green, but today that is all past and Dublin is gone green mad, with its green letter-boxes, green on every tongue and Shakespeare's first name Gaelicized to Liam and Milton's to Taoéis.

Gone are the glories of those good old days when amid political darkness Dublin sparkled with bohemian gayety and shone with social splendor. Gone are the days when a newly arrived English regiment would have all its bachelor officers engaged to the Irish girls before they had been a week in the place. The days when the Vice-regal Lodge was a court are likewise gone and today it is still called "Uncle Tim's Cabin" by a race which seems peculiarly gifted to bestow fitting names upon those in authority. Uncle Tim Healy has gone to join the Great Majority and his "cabin" is the resort of a crowd different from that which thronged its corridors in the days so long departed.

Many things have gone and old things have become new. Dublin has adopted a sort of indiscreet night life based on the legends of London or

Paris. Where formerly the streets were deserted by 10 at night now the cafés are only beginning to light up. Immense cinemas, with brilliant illuminations, cater with restaurants and dance rooms for a jaded throng. Young girls may be seen by the dozen sitting about in that indecorous, splay-legged manner that is not yet five years old in Dublin, though ten in London. Cocktails are an ordinary diet of these evening ladies and cigarette smoke takes the place of chatter, and the dance rooms rock to the tunes of jazz as they do in many other cities. But the jazz lacks that peculiar lilt of custom; there is no real enchantment in its unconservative appeal; it is not Irish, and that is all there is to it.

The Dublin that throve on excitement languishes in disillusionment and mental dullness. Apathy and dancing go hand in hand. The city is being reborn and the pains of its new birth have left it weak and nerveless. After eight and a half years Dublin spells disenchantment to any one who knew it of old. True, the streets are cleaner, the contract for cleaning them having been given to a French company; previously they waited for a good shower of rain driven by a heavy wind to do it for them. A wonderful system of motor coaches covers the entire length and breadth of the Free State which will take you into quiet villages that the railway never knew, at cheaper rates and in shorter time. The old jaunting cars, so beloved of the English tourist, are fast disappearing and private-looking taxis are taking their place. The streets have been rebuilt; government buildings have been washed and splendid macadamized roads laid everywhere. Electricity is

displacing steam in spite of its cost per unit and sports grounds are being provided with stands that should seat thousands of foreign visitors, but these come not.

The fear has gone as well, and a sane, if uneasy, sense of responsibility has settled over the city. The Dublin of today is but a suburb of the ancient Dublin. It cut off its nose to spite its face and the virtue and folly of plastic surgery are becoming obvious. Ours is the age of cheap thinkers, and there are plenty of cheap thinkers who are ready to supply plausible moral catchwords for advancement of this sort. Nobody who thinks is deceived; nobody who has seen anything is impressed, and the only people who are even interested are those who have to maintain a position, as a natural anxiety forces it. The greatness of Grafton

Street has departed and the Soldiers' Side of Sackville Street on a Saturday night is no longer gay with the red of the Tommies' coats. Where are those splendid shops that were once the city's pride and formed one of the busiest shopping centres in Europe? Where is the social life that was once the city's light? Where is the literary force that once made such a noise in the world? They have not spluttered out, but they burn dimly, and they will need tender care to bring them back to their old luster.

In spite of all Dublin is still one of the best mannered cities of the world. Dublin, always gracious to strangers, has become tolerant of hereditary enemies. The "M. C." (Military Cross) on the breast of a passing officer is no longer called a "Michael Collins," nor are the initials "R. E." (Royal Engineer) on a soldier's collar translated as "returned empties."

The stories told of Black and Tan ruthlessness have lost their bitterness. The old description of the Irish as a pleasant people on a fertile sod fighting like fiends for friendship's sake and hating each other for the love of God no longer applies, or if it does then it is not apparent.

The Cosgrave Government has justified the feeling of confidence that his known patriotism merited. De Valera's flash in the pan of theatricalism has practically cost him 90 per cent of his supporters. Since the Free State has commenced functioning—and functioning well in spite of many recurring drawbacks—the character of the Irish is tending toward practicality, and the sentimental nonsense of the Republican Brotherhood is but a past phase. Mr. Cosgrave cannot get as much support as he had before his election on such a small majority. The



Drawing by Maurice McGonigal, from *A Book of Dublin, 1929*
Grafton Street, Dublin

opponents will not support any drastic temperance movement and the Labor party is always in opposition. This latter party has to be reckoned with in the near future. It is well organized and well led.

Dublin has cast out its devils, but occasionally it shows a touch of the cloven hoof, particularly when an armored car passes with its crew enclosed in a bomb-proof mesh. "It's one of them — cages left behind by the English. It took the Boers to put them into khaki and the Germans put them in tin hats, but it took the Irish to put them in cages. Perhaps it's some of themselves as people say they ain't all gone yet," some one may remark.

No one who keeps ears and eyes open in a pleasant pilgrimage across Ireland to the electric power installation at Limerick can doubt that Ould Ireland is still Ould Ireland, and likely to remain so, Free State and Dail notwithstanding. The frequency and earnestness with which all sorts and conditions of Irishmen assure one, never now in confidence, as of old, that the government is ruining the country, is very remindful of the days that are gone when this very pastime was the only one indulged in by successive British Cabinets. It is really but a natural expression of the race's invincible antagonism to constituted authority.

The persistence and accentuation of certain other national characteristics are less easy to accept. After moving about the old familiar places, whose names, Dingle, Dargle, Glen-of-the-Downs, Furry Glen, Mohair and Youghal, are as soft music to a wanderer returned, it was borne in on me more clearly than ever before that the Irish are an ever-rebellious race, but not a revolutionary one; also, that the causes of the country's chronic discontent lie deeply rooted in the national character.



Etching by Estella F. Salomons, from *A Book of Dublin*, 1929
Rosemary Lane, Dublin

Today daylight saving time comes in for some mishandling in the rural parts, and the way to distinguish it from standard time is by calling the latter "God's time," and the former "them bloody Protestants' time."

Since English and Irish time have been equalized, that "two-faced lyin' blaguard," the clock in Limerick, with the double face which showed that the sun rose twenty minutes earlier in England than it did in Ireland, no longer excites the ire of the half-drunken men who paused to curse it and assure their friends that "no sun ever riz in England afore Ireland—England afore Ireland, never, hoora." And it is very hard today to find a sale for the humorous pictures that used to illustrate this rural point of view.

Trudge through the streets of any town between Dublin and Limerick, and observe the number of fully licensed

houses (saloons). At Limerick Junction, Athlone, and many other places they worked out at an average of one to every fifty of the inhabitants. They tell you that drunkenness is far less common than it used to be in the west and south of Ireland. That is likely enough with the present prices of whisky and porter. Drink is writ large-ly on the faces and in the habits of the petty townspeople and in the dreadful hovels and ragged children of the peasantry. The government is doing something to ameliorate this condition, but the funds are not there, and however good their intentions, without the necessary cash one sees no hope of an early improvement.

The two characteristics of the race, namely, its cheerful indifference to the cumulative penalties of overbreeding, and its passionate love of landlordship, are made vivid in one-roomed cottages and on the stone-walled fields that stretch through bracken and furze to the barren places of the hillsides so pitifully small and with soil so poor

that one can hardly conceive any one of them to be worth the cost or labor of building the wall.

Ireland's eternal problem arises on every hand out of the thriftless procreativity of the peasantry that scorns to take thought of the unborn; the rebel, the coroner-boy and the gunman are each in his way a manifestation of the fact that more hungry mouths are produced than the land can feed. Without adequate outlets by emigration, the inevitable result must ever be poverty and unrest. But the hold of religion on the peasantry is still strong enough in many parts to prevent any reference by prudent politicians to this aspect of the problem. The man in the street and his brother in the peat-fields continue, therefore, in the ways of their forebears and blame government, as of old, for the unpleasant results. "Erin-go-bragh," it used to be; today it is more like "Erin-go-ragged-trousers, Erin-go-roofless houses, Erin-go-butterless-bread."

Free State—farmers, fishermen and simple laborers are divided between racial pride in their country as an independent unit and personal regret for the changes that have been wrought. The chief of these changes is the extinction of the "quality"—the free-handed, sport-loving, landed gentry—and the disappearance of the regiments which spent so much money and created so many diversions. The simple peasantry talk guardedly of the trouble, for rural people have learned by bitter experience not to meddle in politics. Eventually the conversation will turn to crops, and there every man is at home and on his own ground, and you will perceive in all minds the tendency to compare things as they are with things as they were. Erin, as is her



Drawing by Hilda Roberts, from *A Book of Dublin*, 1929
The Library, Trinity College, Dublin

wont, wistfully remembers the days of old, and the old song, "Let Erin Remember," which used to touch my imagination as a boy with its sad refrain, no longer strikes a responsive chord. It is not in the concert of remembrance, and the proud invader is no longer there to be taunted with its melody. "Who Fears to Speak of '98?" is no longer sung. It is simply not done these days. But "Who Regrets to Think of '22?" might be a good substitute.

The visible track of destruction left by the revolution and the aftermath of civil war are not quite obliterated as yet, and they remind one that the path to a Free State, as the path to a throne, is through the tented field. I think the old country idea, that there are no Irish in hell, has gone the way of many pleasant families and happy beliefs.

The disappearance of many old families whose names were household words throughout the land, the comparative scarcity of anglers, tourists, racing-men and sportsmen, are all factors which combine to create in one's mind a somewhat melancholy impression, a sense of new dignity purchased at the price of the old geniality. But the impression of melancholy is somewhat dispelled by a philosophic acceptance of the inevitable. The tear and the smile in the eye still blend with enchanting attraction, and force one to the remembrance that Ireland never has impressed one with its sturdy practicality or as a well-governed island of thrifty, sober citizens. All the old faults and virtues are still there, and the people still the same happy-go-lucky lot they have always been, troubles or no troubles.

When you come to look below the surface the new order of things bears a striking resemblance to the old. Out of the nominally free government that has been set up a new despotism has arisen, differing only from the old by having a new code, and new men to enforce it. To give the new order its due the new code strikes one as superior to the old in abstract things, but in the concrete things of life it is

decidedly worse, for the simple reason that it has been devised by the Irish themselves based on sentiment, and there is not the respect for national feeling which the invader found it tactful to observe. The waving of flags, whether red or green, is no longer proscribed, but many other things are, principally the ebullition of feelings on festive or patriotic occasions which bring on the scene those smart, soldier-like police, without which Ireland might become the Land of Saints that its ancient literature says it once was.

The police stand out in sharp contrast with the drab mob, and one is forced to wonder if authority does not do something for the individual as a man, if not as a collective entity. The new force is a very fair reproduction of the old Royal Irish Constabulary, as indeed, they should be, for they have mostly been recruited from the old force. The soldiers quartered in the old British barracks are manifestly brothers of Private Mulvaney, somewhat more limited in outlook by a range which has been narrowed by the absence of foreign service.

But Private Mulvaney will still show you how "the divil went through Athlone by standin' leps" if you take the trouble to ask him. Between troops and police, however, law, order and a wholesome respect for the rights of such property as remains are fairly satisfactorily maintained. The man in the street prides himself on this fact even while he insists that the government is ruining the country. From his point of view, an Irish government which imposes taxes even heavier than those of the old régime and fails to provide soft jobs for all its supporters, is a severe trial to honest patriots. The fact that the country's grievances can no longer be ascribed to British stupidity probably makes it all the harder to bear.

Frontiers disappear; old orders change; rulers die; political creeds vary; feuds wax and wane, but certain things abide—the soul of a people whose roots lie deep in the native soil and form their real anchor.

The Federal Farm Board's First Year

I—By L. J. DICKINSON

MEMBER OF CONGRESS FROM IOWA

AFTER EIGHT YEARS of effort, during which nearly every possible plan for farm relief was discussed in Congress, a bill known as the agricultural marketing act was passed at the special session called by President Hoover for that purpose shortly after his inauguration.

This act, which embraces practically all the ideas discussed during this long drawn-out debate on farm relief, excepting the equalization fee, had the approval of the major farm organizations, although certain of the farm leaders insisted upon the equalization fee principle being included. The declaration of policy of the bill follows:

Section 1. (a) It is hereby declared to be the policy of Congress to promote the effective merchandising of agricultural commodities in interstate and foreign commerce, so that the industry of agriculture will be placed on a basis of economic equality with other industries, and to that end to protect, control and stabilize the currents of interstate and foreign commerce in the marketing of agricultural commodities and their food products—

(1) by minimizing speculation;
(2) by preventing inefficient and wasteful methods of distribution;

(3) by encouraging the organization of producers into effective associations or corporations under their own control for greater unity of effort in marketing and by promoting the establishment and financing of a farm marketing system of producer-owned and producer-controlled cooperative associations and other agencies;

(4) by aiding in preventing and controlling surpluses in any agricultural commodity, through orderly production and distribution, so as to maintain advantageous domestic markets and prevent such surpluses from causing undue and excessive fluctuations or depressions in prices for that commodity.

(b) There shall be considered as a surplus for the purposes of this act any seasonal or year's total surplus, produced in the United States and either local or national in extent, that is in excess of the requirements for the orderly distribution

of the agricultural commodity or is in excess of the domestic requirements for such commodity.

(c) The Federal Farm Board shall execute the powers vested in it by this act only in such manner as will, in the judgment of the board, aid to the fullest practicable extent in carrying out the policy above declared.

This declaration of policy is wide enough in its application to embrace the complete handling of farm commodities by and through producer-owned and producer-controlled cooperatives.

We knew for many years that there was an agricultural problem. Agriculture was in distress and the condition, instead of getting better, grew gradually worse. Not only the people of the great food-producing States realized this but business and industrial leaders from coast to coast saw that unless something was done to stabilize agriculture, this great industry would fail. The buying power of the farmer had fallen off to an alarming degree and this affected all business.

All successful business is operated on a basis of cost of production plus a reasonable profit. This is the thought the proponents of farm relief had in mind during this long formative period before the passage of the present agricultural marketing act. No other country in the world since history was recorded has gone so far toward assisting a group of individuals to develop their own business as this act does for the American farmer. Never before in the history of the United States has agriculture been given so much consideration in the campaign of the two major political parties. Never before in the history of the country were such far-reaching declarations and commitments made by Presidential nominees. From this point of view it was a victory for the American farmer. Organized agri-

culture had done its job and done it well.

There are 6,500,000 farmers in the United States producing between \$13,000,000,000 and \$14,000,000,000 worth of farm products annually. These products have been moving from the farm to the consumers' table under a system which has taken more than fifty years to develop, and it is the duty of the Farm Board under this new law to assist the farmers in developing a better system of distributing and selling their products so that they may receive for themselves a larger percentage of the consumer's dollar.

It can readily be seen that the government could not deal individually with 6,500,000 farmers. For that reason the first step taken by the Farm Board was necessarily that of organizing the farmers into cooperative groups where they might function as a unit for the particular commodity they were interested in as a group. During the first year of the Federal Farm Board there were created the following cooperative sales groups: The Farmers National Grain Corporation, National Wool Marketing Corporation, American Cotton Cooperative Association, National Bean Marketing Association, National Live Stock Marketing Association, National Pecan Marketing Corporation, while two stabilization corporations have been set up under the provisions of the act—Grain Stabilization Corporation and the Cotton Stabilization Corporation.

As the procedure in each case was similar, the formation of the Farmers National Grain Corporation may be taken as an example. In forming the corporation the board assisted the cooperatives in setting up an organization on a sound financial basis. They insisted that any cooperative association or individual borrowing government funds must market the commodity under the supervision of a central association, and that each cooperative member must subscribe for stock in the National Grain Corporation according to a pro-rata basis laid down by the constitution and by-laws of that

corporation. Under this arrangement, before any dividends can be paid to the stockholders from the earnings of the corporation, which is capitalized at \$10,000,000, a reserve of \$10,000,000 must be built up.

The Farmers National is owned and controlled by its member cooperatives. The Farm Board makes the condition that so long as the corporation borrows money from the revolving fund its management and business policies shall be satisfactory to the board. The board deals with grain cooperatives only through the Farmers National.

The Farmers National now has twenty-four members representing over 2,000 cooperative elevator units and more than 250,000 grain producers. It has established regional agencies in Chicago and St. Paul, in the Pacific Northwest and in the Southwest and in Kansas City. The Kansas City agency has this year handled three-fifths of all the grain marketed from the great wheat fields of Kansas and the Southwest tributary to Kansas City. These agencies have purchased terminal houses at all the principal market centres and are laying the groundwork with the expectation of handling 50 per cent of all the wheat grown in the United States in 1931.

In setting up the Farmers National Grain Corporation the loan was made to the corporation under Section 7 of the act, which reads:

Upon application by any cooperative association the board is authorized to make loans to it from the revolving fund to assist in—

- (1) the effective merchandising of agricultural commodities food products thereof;

- (2) the construction or acquisition by purchase or lease of physical marketing facilities for preparing, handling, storing, processing or merchandising agricultural commodities or their food products;

- (3) the formation of clearing house associations;

- (4) extending membership of the cooperative association applying for the loan by educating the producers of the commodity handled by the association in the advantages of cooperative marketing of that commodity; and

- (5) enabling the cooperative association applying for the loan to advance to its

members a greater share of the market price of the commodity delivered to the association than is practicable under other credit facilities.

No loan shall be made to any cooperative association unless, in the judgment of the board, the loan is in furtherance of the policy declared in Section 1 and the cooperative association applying for the loan has an organization and management and business policies of such character as to insure the reasonable safety of the loan and the furtherance of such policy.

Loans for the construction or acquisition by purchase or lease of physical facilities shall be subject to the following limitations:

(1) No such loan for the construction or purchase of such facilities shall be made in an amount in excess of 80 per centum of the value of the facilities to be constructed or purchased.

(2) No loan for the purchase or lease of such facilities shall be made unless the board finds that the purchase price or rent to be paid is reasonable.

(3) No loan for the construction, purchase or lease of such facilities shall be made unless the board finds that there are not available suitable existing facilities that will furnish their services to the cooperative association at reasonable rates; and in addition to the preceding limitation, no loan for the construction of facilities shall be made unless the board finds that suitable existing facilities are not available for purchase or lease at a reasonable price or rent.

Loans for the construction or purchase of physical facilities, together with interest on the loans, shall be repaid upon an amortization plan over a period not in excess of twenty years.

With this authority the Federal Farm Board has approved loan applications aggregating approximately \$195,000,000 out of the \$250,000,000 appropriated from the \$500,000,000 authorized by Congress.

Cotton is second only to grain as a farm commodity crop. The various State cotton cooperative associations have been assisted by the board in setting up the American Cotton Cooperative Association, a \$30,000,000 central cooperative marketing agency for that commodity, with headquarters in New Orleans. Commodity loans supplemental to primary loans from intermediate credit banks and commercial banks were advanced by the board to all the cotton cooperatives on their 1929 crop.

An emergency policy of fixed loan values for cotton similar to that of wheat, and for the same purpose, was put into effect in last October. As in the case of wheat, it became necessary later in the marketing season for an emergency stabilization corporation in cotton and this was authorized by the board. These associations handled approximately 1,500,000 bales of the 1929 crop—an increase of about 30 per cent over the quantity handled the previous year. They represent more than 200,000 grower members.

The National Wool Marketing Corporation, a \$1,000,000 central sales agency for wool and mohair, has been set up by the wool and mohair cooperatives with the assistance of the Farm Board. This corporation already has contracted with its member associations for more than 100,000,000 pounds of wool, an increase of four times the amount handled cooperatively in 1929. The board assisted the association in making pre-shearing advances to its grower members and also in granting supplemental commodity loans on wool and mohair delivered to member associations for marketing.

The board is assisting the cooperative live stock associations operating sales agencies on the large terminal markets and some of which make their sales direct from ranch and farm to packers in establishing the National Live Stock Marketing Association, a \$1,000,000 central cooperative sales agency with headquarters in Chicago. This association is not yet completely organized. It is fully expected, however, that it will be operating before Fall. Live stock cooperative associations last year handled approximately \$300,000,000 worth of live stock. Under the new arrangement it is expected that the volume will be increased to about \$1,000,000,000 annually.

Cooperatives representing bean growers in the nine bean-producing States have organized a National Bean Marketing Association, a \$1,000,000 central sales agency, for this commodity, under the guidance of the Farm Board. This

association expects to handle the entire bean crop for 1931.

Dairy cooperatives have been assisted by the board in expanding their local and regional marketing activities with a view to later developing a national unified sales program. Loans were made to a number of regional associations in New York, Minnesota, Washington, California and Oregon. The board's loan of \$1,866,634 to the Land o' Lakes Creameries, Inc., of Minnesota is credited with having stabilized the price of butter last Spring, making it possible to increase dairymen's rates millions of dollars. The dairymen on the Pacific Coast are at this time forming a central or regional market association to handle butter.

In its poultry work the board has aided in the establishment, in addition to others, of the Northwest Turkey Growers' Association at Salt Lake City. Two hundred carloads of dressed turkeys produced by cooperatives in nine of the Northwestern States will be sold through this regional association.

Meetings are being held with the tobacco growers of Virginia, North Carolina, South Carolina and Georgia for the purpose of aiding in organizing tobacco growers into a central cooperative sales association. The board has also assisted the citrus growers' cooperatives in Florida and California and cooperated with them in developing an industry program for the stabilization of the citrus and raisin-grape industries, while the sour cherry growers have been given financial assistance in expanding their processing facilities. And the potato growers' cooperatives have been assisted by the board in developing a national marketing program for this commodity. It is expected that the cooperative handling of potatoes will be measurably expanded in the sale of the 1930 crop.

The Farm Board money is loaned to cooperatives at a limited rate of interest—"in no case shall the rate exceed 4 per cent per annum on the unpaid principal." Where national or central agencies assist the Federal Farm Board loans the money to them. These central

or national agencies, in turn, loan the money to district or local communities at a slightly higher rate of interest to cover handling charges and to build up a reserve to protect the association against losses. Profits resulting from their operations will go to build up the reserve of the national or central, in which ownership is shared by members in proportion to their patronage.

Advisory commodity committees have been established for wheat, cotton, live stock, dairy products, wool and mohair. It is the duty of these advisory committees to present commodities before the Federal Farm Board. They are selected by the cooperatives at the invitation of the Federal Farm Board. Each advisory committee is composed of seven members; the act provides that two members shall be experienced handlers or processors of the commodity. They meet twice a year upon the call of the Federal Farm Board and at other times upon call of a majority of the advisory commodity committee members.

Any business with a turnover of over \$13,000,000,000 yearly cannot necessarily be absorbed in a few months or years. Friends of the agricultural marketing act believe that it will take several years for these national sales organizations to become properly organized and officered, and that there will be many intricate problems which they will have to meet and solve.

After the stock market crash in October, 1929, the Federal Farm Board immediately took steps to stabilize the price of wheat. They set a track price limit at Minneapolis, Kansas City and Chicago and at the same time entered the open market. They bought a total of 69,000,000 bushels of wheat. Some of this wheat was disposed of at a profit. The remainder will not be sold for less than the Farm Board paid for it and will not be sold in competition with the 1930 crop.

The act has been the target of severe criticism from many sections of the country. Charges of government price-fixing have been hurled at the Farm Board. The Farm Board, using the authority conferred on it by Congress,

did nothing more for the farmers than bankers and business men did to meet the emergency of the securities market crash. Probably the severest critic of the board has been the United States Chamber of Commerce, which went so far as to demand a repeal of the act. Here was the spectacle of a group of men organized into a chamber of commerce for their own protection criticizing and attempting to interfere with another group of society who were attempting to do what the Chamber of Commerce had already done—organize for self-protection.

The greatest task the board has to face is that of preventing and controlling surpluses. In suggesting to the wheat growers of the country that they reduce their acreage the board is only following the precedent set by industry. A surplus of wheat exists in the world today, and a close examination of the records indicate that since 1918 we have had a continuous surplus of wheat. The Federal Farm Board is urging a reduction of acreage as the only sane method of reducing the surplus. This policy is meeting with opposition in some parts of the West, but in many cases it is purely political. It is not a new thing for a politician to use an emergency of this kind to put himself forward among his constituents.

Certain farm leaders are also fighting the crop control program. These men have held office by reason of their ability to keep their followers stirred up, but have never been able to offer a constructive program to increase the price of farm products or to improve marketing conditions.

If the automobile manufacturers or the manufacturers of any commodity used in volume were to turn out their products in excess of the demand, without any idea of cost of production, and then load these products on freight cars and ship them to common centres to be sold to bidders on an open market, such manufacturers would surely find themselves in difficulties and their problem would be the same as the farmers' problem has been for the last fifty years.

The farm bill is the best legislation we have been able to get during a period of ten years of effort. It is designed to give the farmer a better net income for his products. The machinery it is setting up and is at present operating to a considerable extent also proposes that the farmer shall be his own salesman through cooperatively owned and controlled agencies. The marketing and manufacturing of the products of the farm is the biggest business in the United States today. The privately controlled marketing agencies were built up over a period of more than fifty years. We cannot expect the Farm Board to learn all the intricacies of this business overnight. We should give the Farm Board sufficient time to work out their own plans and purposes. This cannot be accomplished in one year or in four or five years, but it will be accomplished for the benefit, not only of agriculture, but of the whole business fabric of this country. Industry and labor will profit equally with the farmer if we give the American farmer control of the American market and give him a dependable price for his products.

II—By ALEXANDER LEGGE

CHAIRMAN OF THE FEDERAL FARM BOARD

THE FUNDAMENTAL trouble with agriculture, as the Federal Farm Board sees it, is lack of effective organization. A great deal of attention has been paid to quality improvement and lower production costs, but one of the first essentials to

success has been ignored; that is, the adjustment of production to potential market requirements. For the most part, farmers have grown their crops and live stock herds blindly, each trying to produce the maximum without regard to the possible effect of over-

production on the price at selling time.

In marketing many farmers turned to cooperation years ago. When the Farm Board began its work there were some 12,500 associations, with more than 2,000,000 members. But most of this cooperative effort was local in character. The organization collected the product from farmer members and turned it over to some one else to sell. There was some benefit to the grower, but a cooperative, to get the desired results, must carry the product at least to the terminal market. A central organization for single control of the flow to market and sale of each commodity is regarded by the Farm Board as necessary to the permanent success of a cooperative marketing program.

Accordingly, the first efforts of the board were directed toward assisting local, regional and State cooperative associations handling a particular commodity to establish a national cooperative sales agency for that commodity.

All of these began to market the 1930 crop of their member associations. These national cooperative sales agencies are being established by the cooperatives with Farm Board assistance, not to raise prices artificially but to merchandise the products of their members in conformity with the provisions of the Capper-Volstead act of 1922 and the agricultural marketing act. Through them producers hope to gain control of a sufficient volume of the various commodities to have bargaining power in the sale of them. Great care has been taken to see that these farmer-owned and farmer-controlled agencies are set up on a sound financial basis, so that they may gain strength and later be in position to operate without further assistance from the government.

Where cooperatives have established a central commodity sales agency the Farm Board extends aid to the individual cooperative handling that commodity only through the national organization. Membership in the national is open to all cooperatives that qualify. The board cannot help those that are

unwilling to cooperate by affiliating with the national.

In addition to helping cooperatives organize these six national sales agencies, the board has been assisting the citrus growers' cooperatives of Florida to unify their sales activities; the grape-raisin growers of California to work out an industrial program, and is conferring with other cooperative groups handling dairy products, tobacco, potatoes, apples, rice, sugar beets, fruits and vegetables, looking to the development of central cooperative sales programs for those commodities.

One of the duties of the Farm Board is to designate farm products or groups of farm products with similar marketing methods as agricultural commodities. Twelve of such commodities have been designated.

At the time of the stock market crash in the Fall of 1929 the Farm Board, in an effort to prevent demoralization of agricultural commodity prices in sympathy with those of the securities market, announced an emergency policy of making advances to wheat and cotton cooperatives on a fixed loan value basis. For several months this had the desired effect, but later, when it proved insufficient, the grain and cotton cooperatives, on recommendation of the wheat and cotton advisory commodity committees, organized stabilization corporations. At the request of the advisory commodity committees the Farm Board recognized these corporations and authorized emergency stabilization operations in wheat and cotton as provided in Section 9, Paragraph (d), of the agricultural marketing act, the purpose being to remove from the market sufficient quantities of the commodities to relieve the pressure.

Last Fall it was thought that the sharp decline in production in 1929 as compared to 1928, amounting in the world crop to over 500,000,000 bushels, would result in a well-balanced wheat position. This opinion evidently was shared by traders in grain generally, who bid the price up from a low of 94 cents a bushel about the first of June

in Chicago to nearly \$1.60 before the reaction set in. However, because of the continued depression, which grew more acute in some of the large wheat-importing countries, substitution of other foods for wheat cut down consumption to such an extent that the change in position was comparatively small.

Of the \$250,000,000 appropriated for the revolving fund, the Farm Board up to July 1, 1930, had advanced approximately \$195,000,000, of which \$40,000,000 had been repaid, leaving \$155,000,000 outstanding. Loans were made to cooperative associations for effective merchandising, acquirement of physical facilities needed in handling their products and extension of membership through education in the principles of cooperative marketing. These loans also enabled them to advance to their members a larger percentage of the market price of the commodities when delivered to the associations than was practicable from other credit facilities. Cooperatives handling the following commodities received financial assistance from the board: Apples, beans, citrus fruits, cotton, dairy products, grain, honey, live stock, poultry and eggs, grapes and raisins, rice, sour cherries, tobacco, wheat, and wool and mohair.

In the matter of production the farm board firmly believes that agriculture will never be on a profitable basis until farmers, like other producers, adjust their output, quantity and quality as well, to potential market requirements, at the same time doing what they can to extend and expand those markets. With 6,500,000 farm units unorganized and producing blindly, this cannot be accomplished. But with farmers organized and cooperative minded, receiving accurate market and crop outlook information, we believe it not only entirely possible but probable that this can be brought about on an equitable basis.

The Farm Board has asked wheat growers to adjust their production as nearly as possible to a domestic market basis through a gradual reduction in acreage. Cotton farmers have been

asked to curtail their production somewhat, but, more important, to improve the quality of their product and reduce production costs so they will be able successfully to meet competition in the world markets. In other major crops, including live stock, the problem is one of avoiding expansion rather than cutting down production.

Wheat acreage reduction is being advocated in the Farm Board because the facts relative to the world wheat situation lead us to the belief that the American grower has small hope of getting a satisfactory price in the world market, which, so long as he produces a big surplus, determines to a large degree what he gets for his entire crop.

Our domestic inventories of wheat were nearly trebled in the past five years, jumping from about 90,000,000 bushels on July 1, 1926, to more than 265,000,000 bushels on the first day of July, 1930. Per capita consumption of wheat has decreased, whereas world production has increased 42,000,000 acres in the past fifteen years, of which 14,000,000 acres were in the United States, 12,000,000 acres being in the hard Winter wheat States of the Southwest. Producers in the chief competing countries in the world markets have one or all of these advantages over the American grower: Cheap land, cheap labor and cheap water transportation.

We cannot see any hope for an outlet through the various plans for the disposal of surplus abroad at prices lower than the commodity sells for in this country, for the simple reason that practically every wheat-importing country in the world has wheat growers of its own, has an agricultural problem of its own, and has passed anti-dumping legislation very similar to that enacted by Congress to protect the American producer. This anti-dumping legislation in most instances is broad enough to permit confiscation of the commodity, or at least the imposing of a heavy penalty, no matter whether the expense of such an operation is borne by the growers through an equalization fee by the indirect government subsidy

of the debenture plan or by a direct government subsidy.

Neither can the situation be met by an emergency stabilization operation which would remove the depressing surplus from the market to be merchandised at some later date. Such an operation can cope successfully with seasonal surpluses such as might be produced by an especially heavy crop in any one year, provided normal production was in line with normal market requirements. In that case the years of underproduction would offset the years of overproduction, but it is quite impossible to make this apply to a cumulative, constantly increasing surplus such as has existed since 1925.

In planting their 1930 crop, growers of the Spring wheat States of the Northwest responded generally to the suggestion of the Farm Board for an adjustment downward of their acreage. While some opposition to curtailment has been voiced in the hard Winter wheat States of the Southwest, the Farm Board has received encouraging reports indicating that there will be a

substantial reduction in the acreage sown this Fall.

At all times the board is stressing to farmers the importance of organization. There must be cooperation not only among neighbors but among the leaders of the various cooperative groups. Team-work must begin with the local producers of the commodity and continue through State and regional associations to the national cooperative sales agency if collective action is to prove effective. Thoroughly organized, farmers will be in a position to adjust production to the potential demand and to engage in effective merchandising of their crops. In doing this they will only be following in the footsteps of other groups. For the most part those who buy farm products are well organized. The one way to meet organization in buying is with organization in selling. Unless farmers are willing to get together and adopt business methods now employed in other lines, there is scant hope of their bettering their financial standing.

Over-Production of Wheat

ARTHUR M. HYDE, Secretary of Agriculture, in an address at Kansas City on Aug. 6, 1930, said:

"Just now the price of wheat is disastrously low. Few farmers can produce wheat to sell at present prices without losing money. The cause of present low prices is plain. Year after year farmers have gone on expanding their acreage, with consequent cumulative increases both of domestic and world stocks of wheat.

"There are 40,000,000 more acres in wheat than there were before the war. For seven years the world has produced an annual average of 43,000,000 bushels of wheat more than it consumed. Our American carryover has piled up to the record height of 265,000,000 bushels. The world carryover has accumulated to nearly 500,000,000 bushels. The new crop threatens to be larger than the last. The world price, burdened by that huge surplus, will be governed by the amount the cheaper users will pay. Our

American price, so long as we produce for export, will be governed by the world price.

"The cure for this condition is not to be found in the purchase of large amounts of wheat by the Stabilization Corporation. Such a course would not reduce the visible supply of wheat by a single bushel. The answer to farm distress caused by overproduction is not more production. More production means merely more problems, lower prices and greater disaster. Anything which defeats its own ends. The only equalization fee, debenture or what not, means larger and larger surpluses. This is not tariff equalization. This is a cheap chimera of political promise which defeats its own ends. The only answer to overproduction is less production, balancing our crops against market demands, producing only such an amount as we can sell at a price which covers cost of production plus a profit."

The New Policy of Aiding the American Indian

By WILLIAM ATHERTON DU PUY

IT IS DOUBTFUL if any race of people since time began ever passed through such a series of life-changing influences in 300 years as has the North American Indian, who today stands at the threshold of yet another transformation.

Recent and exhaustive investigations have found that the mass of the Indians are habitually idle, distressingly poor and consequently undernourished. They die from tuberculosis seven times as fast as do white people. Indian babies die twice as rapidly as do white babies. The trouble, say the experts, is "their lack of adjustment to the social and economic conditions of the prevailing civilization which confronts them." They do not earn enough of the white man's money properly to keep them going. The Indian must therefore be given money-earning work to do. He must be put to work at the white man's tasks. That will doubtless lead to his final transformation and assimilation.

When white men came to America these natives were scattered thinly over the continent. Many of them were nomads, living in temporary villages and changing their domiciles with the seasons. They ate little other than the fish and game they caught. Others were more settled and engaged to a considerable degree in agriculture. Their farming was a poor attempt when compared to that of the whites but it contributed materially to their subsistence. The food produced from these two sources, hunting and farming, was so limited that it held down the numbers of the tribes. There were probably few more Indians in what is now the United States when Columbus came than there are today.

Indian farming, primitive as it was, had the distinction of contributing sev-

eral products that have swept around the world. It was found that these Indians grew a plant called tobacco which they dried and smoked in peculiar pipes they had devised for the purpose. Europeans had never seen this done before, but almost overnight they acquired the habit. Tobacco farming became a leading industry in the colonies, and its product is one of the most widely used in the world.

Another member of this same nightshade family, the potato plant, was cultivated by the Indians. It has become one of the great foods of the world. The plant from which it came grows wild today in the Rocky Mountains. The tomato was another American member of this group. The Indians did not eat it and it took Europeans two hundred years to find out that the "love apple" was fit for food. Maize, or Indian corn, another crop cultivated by the Indians but unknown to Europe, today produces more wealth than any other crop in the United States.

When the Spaniards got to Mexico they found the natives playing a game with a ball which had a strange proclivity for bouncing, made from a liquid that came from wounds made in a certain tree. It was rubber, another product given to the world by the American Indian.

Another event soon after the Europeans came gave a great impulse to Indian life. Early in the sixteenth century Cortez in Mexico and De Soto along the Mississippi released horses on a continent where they had not existed for thousands of years if ever before. These horses lived and multiplied until, a hundred and fifty years later, the Indian had become a man on horseback. This transformed him. His range was greatly increased. As a warrior his

leash strings were cut. He fared afield with much greater scope than he had ever possessed before. As a mounted huntsman he could dash in among the buffalo of the prairie and drive his arrows to their vitals almost at will. The horse would have multiplied the numbers and importance of the Indians manifold had it not been followed by the land-hungry race that bred it.

Although the whites crowded the reds to the West, there was little struggle for land while the stretch of a continent invited. But when the white man went into the West there was conflict. The mounted, free-roving Indians sometimes proved dangerous to pioneering parties. Often they were but buffalo hunters, but it was hard to tell buffalo hunters from scalp hunters. There was deliberateness in the white man's destruction of the prairie game. Its disappearance would remove the Indian's excuse for prowling abroad in armed groups. It would make him dependent on the white man and consequently more amenable to his will.

The Indian wars incidental to the

conquest of the West combined with the passing of game led to the confinement of the Indian on the reservation. This was the beginning of his degradation. He might no longer fare afield and live by the hunt. He might no longer make war on the white man or rival tribes. He had to sit in idleness on the reservation and wait for his rations to be dealt out by the government. It was a life which no race nor individual could endure without injury. As a result of it this Indian, who had wrested a livelihood from nature almost with his bare hands, who had survived only through the possession of activity and hardihood, became an idler without necessity for exertion. Thus he gained a reputation for racial laziness which he never deserved.

After two generations of rations a new sun arose over his horizon. It rose not naturally but artificially, through the well meant efforts of white men. This was the sun of education. The theory was that learning would solve all the Indian's troubles. This proved not to be a fact. After two generations of



An early engraving reproduced from *The Gateway to American History*, Little Brown
INDIAN WARRIORS



Twigs and boughs, covered by old sacks, constitute the home of the Apache Indian laborer

education he is still on the reservation, miserable under the pall of idleness of the old ration days.

John C. Calhoun, Secretary of War under President Monroe, in 1824, created the first Bureau of Indian Affairs and appointed a certain Colonel McKinley as its chief. In the 106 years that have intervened the Indian has been under the supervision of the government, and when the Department of the Interior was organized in 1849 the Indian Bureau was transferred to it. The idea of education for the Indian got its first impetus in 1876, when \$20,000 was appropriated to further it. After that appropriations increased rapidly. In 1879 the Carlisle Indian School, the first of the non-reservation boarding schools, was established in Pennsylvania. It was presided over by an army officer, General R. H. Pratt. His prescription for the solution of the Indian problem was: "The way to civilize the Indian is to put him in civilization." This was little more than a paraphrase of Thomas Jefferson's statement seven-

ty-five years earlier that "the ultimate point of rest and happiness for the Indians is to let their settlements and ours meet and blend, to intermix and become one people." This has not been accomplished. The Indian still seems to lack adjustment to the prevailing civilization, and it is now found that this lack of adjustment is due to the fact that the prevailing civilization works and the Indian does not.

The task of administering the affairs of the Indian has proved one of the most troublesome of governmental undertakings. Contrary to general belief, the number of Indians is increasing, the high death rate among them being offset by a correspondingly high birth rate, which is 50 per cent above that of the whites. During the past twenty years Indians have increased on an average of 2,000 a year, until there are now some 355,000 in the United States. It is doubtful whether there were as many Indians even at the high tide of their power as mounted hunters.

Every Indian, until he is officially

pronounced "competent," is a ward of the government. He may not act for himself. These wards are divided into 193 tribes, speaking 58 languages, living on 200 reservations in 26 States and owning lands as extensive as New England and New York combined. Oklahoma, with 120,000, has the greatest number of Indians. Arizona follows with 49,000, South Dakota with 23,000, New Mexico with 22,000, California with 19,000, Minnesota with 15,000, Montana with 13,000, Washington with 13,000, and so on. The natural tendency of an agency having charge of so intricate an administration is to become absorbed in its detail and to think but little of broad general policies.

The holdings of some of these Indians in the government's care have become valuable. The 2,229 Osage Indians in Oklahoma have had individual incomes of around \$10,000 a year for the past decade. Many of the Quapaws of the same State have waxed wealthy from lead and zinc mines. Certain Indians in the Middle West own valuable farm lands, while others in Washington and Oregon have excellent timber. The Navajos, in the Southwest, own a wild empire whose wealth is as yet unknown.

These facts may lead to the conclusion that the Indians are a wealthy people. This is not the case. Those who have property of value are in a small minority. The great mass of them live on worthless reservations that cannot be made to contribute much toward sustaining them. They are so poor that they seldom escape the pangs of hunger.

The administration of their estates is infinitely difficult and can hardly fail to call forth unfavorable criticism. If an Indian who has money coming to him entirely lacks money experience, he may immediately be deprived of it by some unscrupulous person. Doling it out to him a little at a time may have the effect of taking all incentive from him, preventing him from ever becoming productive.

For two generations the government has been concentrating on Indian education. There are today some 78,000 Indian children of school age. In such

States as Oklahoma many of these go to public schools along with their white neighbors. Others on many reservations attend mission schools. The government tries hard to reach every Indian child whose education is not otherwise provided for. It maintains 126 day schools and fifty-eight boarding schools on reservations. Then there are the prize education institutions of the service, the non-reservation boarding schools, nineteen in number, conveniently located throughout the West and drawing on all the tribes for pupils. These institutions partake of the nature of well organized trade schools. From a general educational standpoint their curricula run a bit beyond that of the high school. From 500 to 1,000 students attend each. The schools are usually beautifully located and surrounded by their own farms, which produce food for the students and provide demonstrations of farming and dairying.

The Indian child may enter a reservation boarding school at the age of 10, remain there five years, go on to the non-reservation school and emerge with a complete, practical education, at no expense to himself or his family. He is the only American for whom such free education and subsistence is provided. There is no questioning the quality of the education. It is without doubt better than that which is secured by the average child of white parents.

Undoubtedly the government and the American people have wanted to do everything possible for the Indian. They have, however, made certain mistakes which they now freely admit. The greatest of these was rationing the Indian, because it plunged him into decades of enforced idleness. In its educational policy, furthermore, the government started out with the idea that the logical calling of the Indian, a child of the open spaces, was farming. It devoted a generation to teaching him to farm, returning him to the reservation and expecting him to follow this occupation. Much to the chagrin of the service he steadfastly refused to make satisfactory use of his land.

The Indian's psychology stood in his way. He has always been a nomad who accumulated nothing to burden him on moving day. His philosophy was to throw away rather than accumulate. He felt no land hunger. He has been a member of a band in which everything was held in common. There was no incentive to personal endeavor, to accumulation of any sort. If an Indian raised a crop of potatoes the other members of the band would move in and eat them up. On the reservation the old philosophy still prevails. The old people dominate completely and the youngsters cannot run counter to their wishes.

Another reason why Indians fail as farmers is that farming is a complicated business. To make a success of it one must have technical knowledge, business ability, industry, foresight, the capacity to concentrate through the years on a single purpose. The Indians are a simple and undeveloped people. They should start learning to make a living by working for hire for somebody else, at least for a while before going into business for themselves. Thus they would get experience in white man's ways of life before themselves assuming responsibility. There is ample experience on which to base the conclusion that the Indian is as fit material for industry as anybody else.

A careful study, made recently, revealed that he has a manual dexterity that is exceptional. He is fascinated by machinery and quick to learn its operation. He also takes readily to carpentry. He learns the manual trades as readily as the white boy. Those Indians who have learned to work in the building trades or shops have made good.

In March, 1929, Dr. Ray Lyman Wilbur, president of Stanford University, became Secretary of the Interior. Facing a stagnation in this Indian situation, he proclaimed a new policy which, in the light of the past, was startling. The Indian, he said, should be developed into a self-respecting American citizen. The Indian stock should merge with that of the nation. Individually

he should be prepared for life among the rest of us and should be got away from his reservations. The Indian Bureau should work itself out of a job in twenty-five years.

Secretary Wilbur appointed Charles J. Rhoads, Quaker, banker, Philadelphia man of affairs, as Indian Commissioner. Between them they have been pressing toward a solution of the Indian problem.

Indian schools which make up a far-flung organization have had trouble keeping themselves up to date. They are equipped to teach blacksmithing and harness-making instead of auto mechanics. It takes money and time to effect changes. Congress must make appropriations and a civil service personnel, 6,000 strong, widely scattered, shackled by habit, must be aroused. The old spirit of coddling the Indian must be replaced by proper training and a constant pressure toward thrusting him out into the world on his own.

If the young Indian is to participate in the white man's civilization he must know more about it. Indian schools are institutional schools and as such are admittedly poor places in which to bring up children. Young Indians have no contact whatever with the practicalities of life. They are clothed, fed, taught in complete isolation. When they emerge from these institutions they have little training for the battle for place which is life. Too often they are plunged back on the reservations and return to the aboriginal.

The policy of the present administration is to press steadily to get more Indian children out of the institutionalized schools and into the public schools. As the whites have closed in upon the reservations white schools have been made available to Indian children until more than half the Indian children are today in public white schools. Here they mingle with white children and learn much from these contacts. They merge into the general population. Last year every Indian child who appeared at a boarding school was carefully investigated, and if it was found that he lived within reach

of a public school and other circumstances permitted, he was sent back home and required to attend it. Special representatives of the Indian Service have been going about the country arranging that the Indian children should enter public schools, hastening the abandonment of the institutional schools. The idea is developing of establishing them in government village boarding houses, paying a fee to the local community and allowing them to attend public school. Thus contact with the whites is increased, the Indian child constantly exposed to the civilization in which his future is bound to lie. The Indian Bureau is building up a service to guide and place young Indians after graduation from the school. As a result many of them are being fitted into industrial life and are finding themselves able to hold their own. Nevertheless thousands of young Indians are constantly being thrust back into the Stone Age life of the reservation and forced to submit to it. This is particularly hard on the Indian girls who, after ten years in the boarding schools, where they slept between sheets, bathed, ate proper food and learned the white man's standards of morality, find themselves driven back to the reservations to go barefoot, sleep on the ground, eat out of the common pot and, perhaps, be disposed of like any other chattels.

Even the older Indians on the reservation, the Bureau holds, may be provided with money-earning possibilities. An enterprising superintendent at San

Carlos Apache Reservation in Arizona, for example, secured a truck that would transport thirty men. He went forth wherever within a hundred miles there was construction work, farming, mining, whatnot, and got employment for his idle Indians. At first they worked but a few days and returned to the reservation. As time passed, however, they stayed with their jobs for longer and longer periods. Now scores of families live in their own homes as do other working people and ignore the old, idle life of the reservations. This method is being extended to all the reservations.

Pressure is constantly away from the reservations. The result is an immediate improvement in the economic position of the Indian. He earns more and can provide better for his family. With better food Indian health improves. The tragedy of the Indian lies largely in his poverty. The solution, the present administration holds, is to provide an opportunity for earning a living.

The government is spending \$20,000,000 a year for the aid of some 200,000 dependent Indians. There is doubt if, in the history of the world, so much money was ever before spent in an attempt to help so small a group of people. But there is something peculiar in this Indian that defies all solution. The nation which cut the continents apart at Panama and transported 2,000,000 men overseas during the war seems to have failed in the economic habilitation of this fragment of an ancient race.

The Constitutional Triumph in Bolivia

By DIOMEDES DE PEREYRA

BOLIVIAN NOVELIST AND JOURNALIST

THE BOLIVIAN REVOLUTION of June, 1930, had been pending almost since the coup d'état of Bautista Saavedra in 1920. That it was so slow to materialize caused much misgiving to those people who feared an inevitable crash in the entire social and economic fabric. "Where are the men to save us?" they asked. "Is it possible that our generation will accept its doom as its destiny?"

Politically the situation just before the revolution was worse than at any other time in Bolivian history; socially, the Bolivians were facing the problem of separatism in the provinces; commercially, with tin—the chief export—selling so low as hardly to cover the cost of production, the country was on the verge of collapse and rumors of bankruptcy were gaining credence abroad.

It was inevitable that in such a situation there should be people of spirit and independence prepared to rescue the nation from her moral and material disorder. But these groups—men who had consistently shunned politics or who had been impelled to retire to protect their honor—hesitated to resort to revolution and chose instead to preach common sense. Lined solidly alongside Dr. Daniel Salamanca, one of the most noted of the contemporary statesmen of Hispanic America, they launched a campaign of propaganda against the Siles Government. The government, however, with President Hernando Siles supported by Hans Kundt, a German General who was put in charge of the army by ex-President Saavedra, continued, undeterred, to carry out its bungling policies. Trusting, furthermore, that the foreign General had blocked all roads to revolution, it treated the propagandists as criminals. The uncompromising ones

were either shut in dungeons or exiled; those who did not care to face these abuses migrated to other countries; the more moderate continued to wait. And in spite of the frequent exhortations of Dr. Salamanca not to resort to revolution, the revolution broke out and was successful. Looking closely into the facts which precipitated this event, one realizes the work which Bolivia must accomplish to stand on a level with her powerful neighbors—Argentina, Chile, Peru and Brazil.

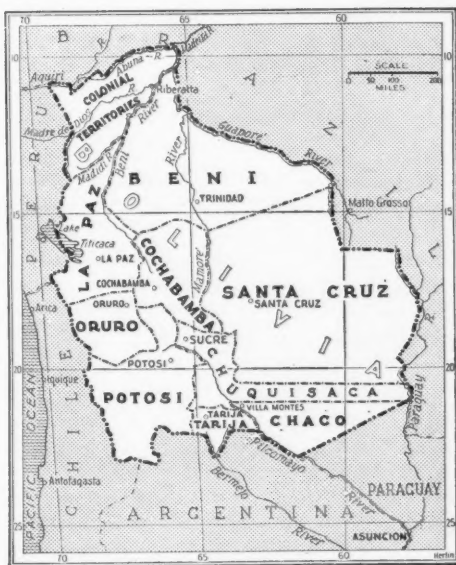
Bolivia, exclusive of the disputed Chaco territory, has an area of 506,467 square miles, two-thirds of which are exceptionally fertile lands. The department of Santa Cruz could provide 50,000,000 people with sugar, cotton, rice and cocoa, plus the necessary amount of petroleum to export these products and to manufacture the sub-products; Tarija is endowed with pampas like those in Argentina for the raising of cattle and could produce cereals sufficient for a country of 22,000,000 people. Chuquisaca could produce millions of tons of fruits of twice the variety known in North America; Cochabamba, the most populous and resourceful department, could alone support and clothe double the present population of Bolivia, which consists of 600,000 whites and nearly 2,000,000 Indians. Oruro and Potosi, the two chief mining centres on whose fluctuating prosperity is based the entire economic system of the country, with a prosperous agriculture could control vast iron and lead manufactures. The Territorio Nacional de Colonias, the great Beni forests and the Chaco are overflowing with tropical raw materials of every description. La Paz could become a self-supporting department.

This vast and rich country must import millions of dollars' worth of flour,

sugar, rice—products which its fertile and extensive agricultural soil could most easily produce. This is because the politicians are more concerned with building an army and a city for the money there is in it than with building a nation. Rather than develop the resources of their departments they have become more and more concerned to make the most for themselves out of the meager 45,000,000 pesos (\$16,000,000) representing Bolivia's maximum income. They spend 20,000,000 pesos on an army which is absolutely useless and on the city of La Paz, which, from the economic standpoint, is more than useless. But if the former is carried out with the people's consent—to be sure a none too enthusiastic one—the latter is causing bitter provincial strife which has taken a separatist trend and has led to racial strife throughout the country. Among many of the 300,000 citizens of Tarija and Santa Cruz—the largest agricultural departments of Bolivia with 100 per cent white population—there is a strong leaning toward Argentina.

Long before the advent of the Spaniards there were in Bolivia two native groups strongly opposed to each other—the Quechua, from whom sprang the Incas, established in the best and major part of the territory, and the Aymara, a tribe conquered by the Quechua and living entirely in the Department of La Paz. Between these two races there has existed a latent feud which has spread to the whites and has upset the country much more than appears on the surface.

La Paz, the seat of the government because of its nearness to the coast, is the capital of 800,000 Aymaras, who make up at least 80 per cent of the population in the city and more than 90 per cent in the province. Many of them with education have found employment as government clerks in the different official departments and have risen—with fatal consequences to the nation—to the posts of Ministers and President. This unprecedented Indianization of a country heretofore governed largely by Bolivians of Spanish



Map of Bolivia

descent has widened the breach between the two native groups.

The Quechua, descendants of a conquering race, once accustomed to govern wisely, and having become considerably Latinized, resent the rôle that the Aymara, with his sudden invasion of politics and his consequent importance at the polls, has assumed. The Aymara, in spite of his veneer of culture, continues as before, a hostile hermit in his dreary mountains, stubbornly opposing the Quechua whose superior status he resents and fighting the white whose power he envies. He does not migrate or mingle with other peoples; he lives a timid and secluded life and his actions, resulting from a semi-democratization, are hampered by his egotistic nature and by the limitations of his primitive and untrained mind.

This situation is intensified by thousands of opportunist politicians from all departments who have centralized the nation's activities at La Paz; this centralization provides constant employment to the politician and multiple opportunities for graft. They encourage the intractable and unprogressive natives in their obstructionist policies, which the rest of the country will soon be fighting if the economic table is

not set to suit the agricultural departments.

The city of La Paz is cradled in a gigantic volcanic hole on a bleak, desolate mesa over 10,000 feet high. Conditions here for urban and industrial development are difficult and for European settlement on any important scale are nil. To centralize in this forbidding plateau all the administrative activities was a costly error, but to try to make of it the industrial centre as well—to establish at that height an aviation school, to build factories which should be in valleys and forests within reach of railway facilities—was sheer madness.

A cotton factory at La Paz depends entirely on raw material imported from the United States, when cotton as fine as the Egyptian could be produced in Tarija, Santa Cruz and Cochabamba; and these departments which have an almost entirely white population could also consume much more of the cotton product than the Indians of La Paz who live scantily and spend very little of their money. The cotton industry is controlled by a foreign monopoly which has raised the price from 15 to 75 Bolivian cents per yard, while by the terms of the concession no one can compete in the manufacture of cotton goods for a period of ten years.

The paper industry in Bolivia is again an exclusive concession and again the raw material must be imported, when by building the factory anywhere in Cochabamba or Chuquisaca, where there is luxuriant vegetation, the owner could have saved money and done something really useful for the country. The paper is now of the lowest grade and costs much more than that imported from Argentina.

The cattle industry, which could flourish in Tarija, Santa Cruz and the valleys of Chuquisaca and Cochabamba, where there is already excellent stock, is hindered by the manufacture of shoes at La Paz, where there are no cattle within reasonable distance and where imports are largely used. Two thousand Peruvian merchants at La Paz thrive on Bolivian dissension.

The meager income of Bolivia, as

stated above, is 45,000,000 pesos, of which 20,000,000 goes to the army, 18,000,000 to the United States for a sinking fund and interest on debts. Of the 7,000,000 left 2,000,000 remains at La Paz to pay the swarm of officials, the President, the Ministers, the Senators and Deputies; 500,000 pesos is transmitted to the diplomats and consuls in foreign countries; no one knows how much is set aside for Presidential receptions, payment of commissions of all sorts and for emergencies. Four million pesos remains to care for the Ministries of Public Works, Education, Agriculture, Commerce and Manufactures, and to be divided among ten departments, La Paz again coming in for the largest share.

Politically the recent administrations have been so disastrous that in many parts of the nation one no longer speaks seriously of Bolivia as a republic.

Bolivia did not begin public construction work until 1888, when one of its executives, Señor Aniceto Arce, built the Antofagasta-Oruro railroad. Progress continued until 1904, when under the Presidency of General Ismael Montes, the State having received millions of dollars indemnity from the Republic of Chile for the loss of its sea coast on the Pacific, Antofagasta, and for the land on its Brazilian frontier, the country took another step forward, which the government of Dr. Eliodoro Villazon carried still further between 1909 and 1913. Under this statesman the republic knew real peace and progress. But unfortunately General Montes returned for a second period and from this administration came the tangle of political troubles which have destroyed the Constitution and the prestige of Bolivia. It was Montes who resurrected all the old tricks of alley politics to carry out his plans. He proclaimed a state of siege as often as he fancied himself in danger; he gagged the press, expelled without reason those who opposed his program; he imposed his candidates upon the electors for the national Legislature and the municipal councils, buying votes with the money of the nation

and paying gangs of criminals to terrorize the voters of the opposition; he diverted toward La Paz—his own town—public works which were vitally necessary to the rest of the country; finally, for the hundredth time violating the Constitution and having destroyed the admirable work of Dr. Villazon, he prolonged his Presidential term one year, thus establishing a precedent which was imitated by his followers with increasingly disastrous results.

Gutierrez Guerra succeeded him. A very able man, he tried to reconcile the different political parties, but owing to the extreme conditions left by his predecessor, failed to accomplish any real unity. His term ended abruptly thirteen months before its expiration in the revolution of July, 1920.

This revolution, put through by leaders of the Republican party, was prepared without the knowledge of the chief founder of the party, Dr. Salamanca, and was furthermore unnecessary. Guerra's government was moderate, and victory for Dr. Salamanca's party at the next elections was generally conceded to be certain. One of the ablest and fittest men in Bolivia, Dr. Salamanca had for many years fought for the principles of a strictly constructive government, for which he outlined a plan admirably adapted to the needs of his people; his views are accepted as the political gospel of the nation. Knowing that members of his own party had concocted the revolution, an extreme measure firmly disapproved by him, he retired from politics, thus tacitly disavowing his collaborators.

A junta of three men was formed with José Maria Escalier, José Manuel Ramirez and Bautista Saavedra. The country was unanimous in the opinion that Dr. Salamanca or Dr. Escalier should be President, but Saavedra, a man of monstrous ambition, surprised his trusting colleagues with a coup d'état, and because he had been the instigator of the revolution which overthrew Gutierrez Guerra, brazenly announced that he deemed it his duty to become President. Unscrupulous politi-

cians to whom he had promised high offices in the government backed him, but several army officers whose participation in the revolution had made its success possible balked, and appealed to Dr. Salamanca to head a counter revolution. The people, fearing a continuation of bad government, joined in the appeal. The answer of the Republican leader was short and conclusive: "I prefer twenty Saavedras to another revolution."

Saavedras's first act was to put the country in a permanent state of siege. Fearing rebellion he surrounded himself with an army of bandits which he called the Republican Guard; doubting any loyal support among his followers, he made the German General Kundt Commander-in-Chief of his country's army; jealous, he avoided appointing men with prestige and drew his collaborators from the masses; blinded by an atavistic spirit of hatred for Bolivians of Spanish descent, he governed mainly with the mestizo and the Indian. He lost sight completely of the fact that the natives—particularly the Aymara—are scarcely fitted to govern a white man's country and that their concept of government is that of caring only for their tribesmen.

Under such a government the suicidal spirit of regionalism soared unbridled. Dr. Salamanca, renouncing his isolation, once more stepped into the limelight and opened a campaign, urging the electorate to vote only for men of confirmed patriotism. Those who followed his lead were exiled; the newspapers who supported him were wrecked and their editors imprisoned. The elections were controlled by graft still more open than under the Presidency of General Montes. The increased bribery even among the humblest officials soon exhausted the resources of the nation and Saavedra resorted to loans, apparently for public works. The Cochabamba-Santa Cruz railroad, a well-known project among foreign capitalists, served as a pretext for a contract with the Equitable Trust Company of New York by which the collection of revenues, rents and imposts was sub-



Underwood & Underwood

A street scene in La Paz, commercial centre of Bolivia

ject to the supervision of two of its representatives. The proceeds of this humiliating contract—and of others which followed—were diverted to enrich the President and his associates and to modernize La Paz. The Santa Cruz railroad could wait.

As a result there were symptoms of revolution. General Kundt, who had organized an espionage system among army men and civilians, denounced those reported to him as conspirators; citizens of all classes were persecuted; judges and teachers were replaced by politicians; army officers who had remained at their posts only to save the honor of the army, resigned and retired to privacy. The most distinguished of these, General Carlos Blanco Galindo, refused to be confined to a remote military outpost and, in April, 1925, wired from Cochabamba to Saavedra: "I insist that you restore liberty to my country."

With corruption in Saavedra's Government assuming catastrophic proportions, a revolution was becoming inevitable.

Saavedra, with the conceit of all

tyrants, wished to link his name with the festivities marking the centennial of the republic which came a year after the end of his term. In his customary arbitrary manner he had had Dr. Villanueva, a medical practitioner of La Paz, nominated his successor, but he abruptly had the nomination canceled and, like General Montes, extended his term one year. The true explanation of this was that Dr. Villanueva's wife had declared that with Saavedra the reign of the Indian ended, which apparently was caused by Dr. Villanueva's prejudice against a large majority of his people.

Dr. Hernando Siles, then an exile in Peru and an aspirant for the Presidency, was now allowed to return, and upon signing a document by which he undertook not only to maintain the policies of Saavedra but to obey his dictates, was proclaimed President. Dr. Villanueva, who upon his nomination had presented a local hospital with his clinic to the city and had exhausted his modest resources seeking popularity, was known to threaten Saavedra's life, and the latter hastily departed for Eu-

rope. He went to Brussels as Minister of Bolivia to France and Belgium, leaving his brother, Abdon, as Vice President to keep close watch over his successor. It was his last outrageous act against the republic.

With the deposition of Saavedra's brother, and the cancellation of his own ministerial appointment many thought Dr. Siles quite capable of dealing properly with scoundrels. But evidently he was picked out by Saavedra for his weak character. He became the tool of opportunists by distributing sinecures among the numerous members of his poor family; he became the victim of his party when, to save it from the inglorious doom it was facing, he consented to become a dictator. Dr. Salamanca, as on so many other occasions, raised his voice in protest. He spoke at the psychological moment, and this time the educated classes and a large section of the proletariat were prepared to re-establish their rights. Students urging the youth of the country to fight its tyrants were shot dead at La Paz by the troops of the provisional military junta created by President Siles. But this was only a sporadic event and had no bearing on the revolution which had already broken out in the interior. At a word from General Blanco Galindo, 3,000 trained men hastened to his side in Cochabamba and, with a body of soldiers of the regular army waiting for him at Oruro, marched on La Paz ignorant of what was happening there, because all communication with the rest of the country had been cut off by order of General Kundt.

General Blanco Galindo took possession of La Paz without meeting any resistance. He then formed another junta with dependable elements of the army and proclaimed as the immediate aims of the revolution the return to constitutionality, the separation of the army and politics and the initiation of systematic and constructive effort in Bolivia. "We are a poor country," he said, "and as such we must live modestly until we become rich by our efforts."

General Blanco Galindo is a cultivated, energetic man. Much depends on his wisdom in the selection of a President, and much more on the policies of the new governing party which must be formed with new blood. It is only among the youth of Bolivia that there is patriotism and ambition.

The army must be reduced to the rank of a police force; La Paz must be decentralized; agriculture must be developed to avert bankruptcy. With 20,000,000 pesos saved on the reduction or dissolution of the army, Bolivia could build a railroad to Santa Cruz and roads to Tarija; it could irrigate and populate vast regions of the country.

With a wise governmental policy in the hands of young Bolivians, the nation could become before long one of the most prosperous of Latin America; not even Mexico has so abundant or so varied natural resources. The Bolivians can no longer afford to deprive their departments of the progress which will make their small population self-supporting. To do so would involve the nation in civil wars which would threaten the unity and even existence of the country.

France's Social Insurance Laws

By AMY HEWES

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FRANCE'S MUCH delayed and often amended national compulsory social insurance law, which affects from 8,000,000 to 9,000,000 working people and their families, and which marks the culmination of years of effort to increase the economic security of French workers whose earnings are low, went into effect on July 1, 1930. It applies to both men and women, between the ages of 16 and 60, who are working in industry, commerce, agriculture and domestic service. From now on all these people can face the future with less fear of a dependent old age and less anxiety about any incapacity which may come to them before their threescore years have been lived. They know that when they are no longer able to earn they will have the right to a small allowance.

An American workingman might at first feel a kind of contempt for the miniature scale of the money payments which French workers are to receive under the social insurance law, but if he understood the lives of French workers and the importance of tiny sums of money in their modest budgets, he might come to admire and even envy the new social machinery and its objectives. The scheme applies to unmarried workers who earn less than \$720 a year and to married workers with dependents who earn less than \$1,000. For the workers in the smaller cities and in the country, where the cost of living is less, the limits are slightly lower. For example, \$600 a year is the point at which social insurance ceases to apply to unmarried workers who live in places of less than 200,000 population. Limiting the class of unmarried workers who may benefit from social insurance to annual earnings of \$600 or \$720 may suggest a contrast with the per capita income in

the United States, which has recently been said authoritatively to be close to \$750, and with the amounts specified by the United States Department of Labor as necessary to maintain a minimum standard of living. But prices are not the same in France, and French workers have long been trained to economies which will make the allotments go further than they would in the hands of Americans.

When sickness comes to the French worker he now has larger benefits than those he used to receive from the mutual aid society to which he almost always belonged. He is given medical care, including medicines and hospital service, and he also draws a daily payment of an amount between 12 and 72 cents, according to the wage category in which he belongs. This daily allowance is increased by 4 cents a day for each non-working child under 16 in his family. If at the end of five months he is still unable to work, an invalidity pension of 40 per cent of his average wage is substituted for his daily allowance. If he is fully incapacitated the pension is made permanent.

The woman worker under the social insurance scheme who is about to become a mother receives medical care during the whole period of her pregnancy and for six months after childbirth. If she stops working within six weeks of the birth of her child, she receives, in addition to the medical care, a daily payment equal to the sum which she is entitled to draw as sickness insurance. This payment is continued after childbirth as long as she remains away from work up to a maximum of six weeks. The wife of an insured workman (not herself insured) is entitled to the same medical care as the insured woman, but she has no claim on the daily allowance.

Since old age—in the sense of inca-

capacity to work—comes upon different individuals at different times, the law provides a certain amount of flexibility for the beginning of the superannuation allowances. The worker may retire at 60 with an allowance of 40 per cent of his average wage; he may postpone his retirement until he is 65; or he may demand his allowance when he is 55, in which case the amount will be slightly smaller on account of the fact that he has not been at work so long as the others. A Frenchman who is 30 years old in the Summer of 1930 knows that in 1960 he will benefit by an annual income of \$160, provided that he has been earning at the rate of \$400 a year during his working life. The dread of pauper burial is removed by the provision that 20 per cent of his annual wage (and in no case less than \$40) shall be paid to his widow or heirs at the time of his death.

The French social insurance law does not include unemployment insurance. Nevertheless, it contains a special provision for the man who is unemployed. When a man is out of work, it is obviously difficult, and probably impossible, for him to find the money to pay for such things as insurance contributions. Without some special assistance, his payments and his claim on the whole intricate benefit system would vanish in a period of unemployment. The law takes cognizance of this difficulty, and requires that the fund or treasury under which the worker is insured shall carry his contributions for as much as four months out of the year, if he suffers involuntary unemployment for so long a period. That is, the treasury (*caisse*) to which he belongs itself pays his premiums for the period, so that the benefits to which he and his wife and children are entitled shall not lapse while he is out of work. If he is ill during this time, he receives just the same medical care as though he were contributing

Social insurance is made possible by equal contributions from employers and employees. The payments by the workers, which amount to about 3 per cent of their wages, are deducted by the

employer, who must contribute an equal amount. The State also contributes to the expense of social insurance, but it appears that the public contribution will not be a new or heavy burden on the national exchequer, for it is not to be more than the State's contribution to the now obsolete workers' and peasants' old age allowances, with deductions for anticipated economies in national poor relief. The workers are divided into five categories for the determination of their contributions. For example, a worker in the first category, one whose earnings are less than \$96 a year, contributes only 24 cents a month; while a worker whose wage falls in the highest category (\$384 to \$720) pays \$1.60 a month.

Such in outline are the features of the law in its present form, which it received in April, 1930, although it is still known as the "Law of April 5, 1928." Its final approval (to quote the *London Times*) "was described by its supporters as perhaps the most important event that has taken place under the Third Republic; and by its opponents as further sapping that sturdy individualism which has made France the great nation she is today."

France has embarked with great caution upon the experiment of national social insurance, if the repeated postponements of the date of beginning the system and the eleventh-hour changes in the law itself do in fact indicate prudence. It is now more than nine years since the introduction of a similar measure in the Chamber of Deputies in March, 1921. The bill was not passed by the Chamber until 1924, and not approved by the Senate until, after many amendments, it was finally forced through in 1927. In March, 1928, just before the general elections, the Chamber approved the amended bill, and in April, 1928, the "Law of April 5, 1928," was officially promulgated.

Innumerable obstacles prevented the legislation from going into effect. At last, in May, 1929, M. Loucheur, then Minister of Labor, declared that the

government would be ready to put the law into force on Feb. 5, 1930. But this day came and went without action, and with amendments still pending—a situation which puzzled greatly the foreign observers with more hide-bound parliamentary systems. Possibly definitive action on the law would have been postponed even beyond April, 1930, if it had not been for the determination and skill of Prime Minister Tardieu. Leaving for the moment the strains and stresses of the London naval conference, he hurried to Paris by airplane to force through the law when it seemed to be facing failure. "The pledge to labor must be redeemed," he insisted. The legislation was carried through on April 30, and the law was promulgated on May 1, 1930.

Seldom has more confusion attended the final stages of a great piece of constructive legislation. The air was filled with prophecies of disastrous effects upon the cost of living and the national treasury. Lawmakers seemed to be terrified by the monster that, like Frankenstein, they had created. The press was alternately derisive and melancholy. Even so dignified and conservative an organ as the *Paris Temps* was in despair and summarized the situation in the words, "We are in a complete mess."

The most serious opposition to the social insurance law came from the employers, who feared that the effect of drawing upon the funds of industry for this or any other social service would be devastating, especially in its effect upon costs of production. The annual report of the *Comité des Forges* (the powerful association of iron manufacturers in France) which appeared in June, 1929, pointed out that as a result of the law there would be "an increase in the cost of manual labor, which, directly or indirectly, would reach 20 per cent, and would have extremely serious consequences for the future of industry, particularly for those industries a part of whose production is sold abroad."

L'Ami du Peuple, the daily paper

owned by M. Coty, the perfumer, carried on during the Spring and Summer of 1929 anti-social insurance propaganda in a series of signed articles and in a running fire of hostile arguments as the legislation progressed. In this case the campaign was not avowedly in the interest of the employers, but in behalf of the working people, to whom the project as a whole was presented as a fantastic and absurd scheme of misguided politicians, in which the real interests of the workers had been lost. Wage earners were warned that they would be far worse off after the levy on their earnings had been made and the cost of living had risen. It was claimed that the scheme was "born of demagogic parents"; that it embodied a "suicidal notion of state activity," and that it was "inapplicable and unadaptable."

As Albert Thomas, director of the International Labor Office, pointed out in his annual report, it would "obviously be unfair to hold French employers as a whole responsible for certain statements which have appeared in the press as regards the effect which the social insurance act would produce on prices and the cost of living." Many of the statements have been made on the assumption that the total earnings of all wage earners are involved; while in fact only the lower paid workers, single men earning less than \$720 and married men under \$1,000, are included in the scheme.

Powerful opposition also came from the National Confederation of Medical Associations, even after some of its views, such as the right of free choice of doctors by the insured persons, had been incorporated in the law. The doctors continued to stand out against agreements restricting the scale of medical charges, on the ground that they were incompatible with the dignity of the profession.

The numerous mutual benefit societies, which expected to find their functions hampered by the project, opposed the law through their National Federation of Mutual Benefit Societies. They criticized the complications of

TABLE 1—MAXIMUM WAGE LIMITS FOR BENEFICIARIES OF COMPULSORY SOCIAL INSURANCE IN FRANCE

(According to residence and number of children under 16 not working.)

Family Status.	Maximum Annual Wages in Cities of Specified Population.	
	Less Than 200,000 Population.	More Than 200,000 Population.
No children	\$600	\$720
One child	680	800
Two children	760	880
Three or more children.....	1,000	1,000

TABLE 2—FRENCH WORKERS' CONTRIBUTIONS ACCORDING TO WAGES EARNED

Earnings		Monthly Contributions.	Daily Cash Benefit for Sickness.
Annual.	Daily.		
Less than \$96	Less than 32 cents.....	.24	.12
\$96 and less than \$180	32 cents and less than 60 cents...	.48	.24
\$180 and less than \$240	60 cents and less than 80 cents...	.72	.36
\$240 and less than \$380	80 cents and less than \$1.28.....	.96	.48
\$380 and less than \$720*	\$1.28 and less than \$2.40†.....	\$1.60	.72

* \$600 in cities of less than 200,000. † \$2 in cities of less than 200,000.

the administration, and proposed a substitute law, which failed.

The supporters of social insurance were less conspicuous, although they were undeniably both numerous and powerful. One explanation is the fact that the social insurance bill accumulated political momentum and got so much out of hand that some of its original sponsors failed to recognize it in its later incarnations. Organized labor, although dissatisfied with some of the provisions of the law, was almost united in favor of its passage. French workers were impressed by the fact that their comrades in restored Alsace-Lorraine had had the advantages of German social insurance for thirty-five years, and they coveted the benefits for themselves. Nevertheless, toward the end of July large numbers of workers throughout Northern France went on strike, refusing to pay their part of the

contribution under the social insurance act. The workers contended that the employers should pay the contribution by increasing wages.

Now that social insurance is an accomplished fact, far less is heard of the predicted unfortunate results—social unrest, high living costs, larger costs of production and damage to foreign trade. Rather is it here and there admitted, even by former sceptics, that a little added security is given to low-salaried workers at a cost which will not wreck the country—a security which may at the same time add something of stability to the economic life of France.

[Further developments in putting the new law into operation are described under France in A Month's History of the Nations elsewhere in this magazine.]

International Control of the River Danube

By GLEN A. BLACKBURN

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A UNIQUE INTERNATIONAL organization is the European Commission of the Danube. Without territorial possessions, it is nevertheless a distinct international entity possessing sovereignty over the broad waters of the Danube such as the power to borrow money, to maintain a treasury by assessing and collecting dues, to issue regulations which have the effect of law and to enforce its ordinances by adequate penalties. These entirely discretionary functions need the sanction of no group of nations, and there is no appeal from the edicts of the commission. It displays its own insignia and flag. The World Court in an advisory opinion declared that "the European Commission exercises its functions in complete independence of the territorial authorities."

The sector of the Danube over which it presides is more than a mere internationalized river, because it yields independent administrative powers. It is, moreover, superior to a neutralized river because, besides enjoying a passive immunity from external interference, it also exercises a measure of autonomy. It falls short of being a bona fide member of the family of nations because its existence is largely *de facto* and not *de jure*. It is safe to predict that the need for protecting the integrity of the commission will some day compel the powers to lift it out of the twilight of statehood and accord it membership in the League of Nations.

If the States bordering on the Mississippi River were independent and had just emerged from a war which had broken up old trade affiliations and injected animosities into their relationships, it can readily be imagined

what a task would confront them. Such is the problem which has been harassing the riparian States of the Danube for three-quarters of a century, especially since the troubled days of the World War.

The germ of the commission originated in the mind of Charles Cunningham, British Vice Consul at Galatz in 1850. Russia objected most strongly to the neutralization of the Danube on the grounds that it would be virtual expropriation of the territory; but she consented to international action on the understanding that the jurisdiction of the controlling commission should be functional rather than territorial. Accordingly, in the Treaty of Paris, in March, 1856, provision was made for a temporary commission, with Great Britain, Austria, France, Prussia, Russia, Sardinia and Turkey each having one delegate. The cost of dredging the channel was to be met by duties on river traffic which could be levied by a majority vote of the delegates. The treaty specified that the provisions of the articles "shall henceforth form a part of the public law of Europe."

After two years a riverain commission was to take over the duties of the temporary commission as soon as its functions should be performed. Austria, Bavaria, the Sublime Port, Württemberg, Moldavia, Wallachia and Serbia were to compose this succession body without any representation for the great powers; but the jealousy of the powers constrained them to renew their own jurisdiction after its term had expired, and the riverain commission has never come into existence.

Although the original purpose of the temporary commission was merely to make improvements in the channel, it



Map showing the countries through which the Danube flows

was given a more permanent status by the act of Nov. 2, 1865, whereby the European Commission of the Danube was charged with administering, maintaining and developing all works on the river for five years, and was given discretionary powers in selecting the particular delta channel to be improved.

In 1871 the life of the commission was lengthened twelve years more in order, it was said, to pay off debts contracted in improving the channel. In 1883 a twenty-year extension was given with automatic renewals every three years, and a one-year denunciatory clause was included which could be invoked at the end of any three-year period. With this gesture the European Commission of the Danube became a permanent international entity.

In the Treaty of Berlin of July, 1878, two important changes were made. One was the admission of the new State of Rumania as a member of the commission, and the other was the extension of the jurisdiction of the commission from Isaktcha to Galatz. In 1883 the jurisdiction was extended to the port of Braila, a move which Rumania has since energetically contested.

The technical work of the commission consists in dredging the channel and constructing jetties in order to maintain a depth of twenty-four feet. Wharves have been erected, pilotage service is maintained and a river police has been established for the protection of the works for the surveillance of

craft which violate traffic regulations. Towage facilities are provided and there is superintendence of ballast. The commission may levy fines and other penalties for the infringement of regulations.

An inspector general is in direct charge of the work of the commission and maintains headquarters at Galatz. The rulings of the inspector general may be appealed to the commission, from which there is no recourse. Since 1922, however, it is permissible to submit major disputes to the advisory and technical committee on inland navigation of the League of Nations, but its findings have no binding power unless sustained by a World Court decision.

To finance its numerous operations the commission is authorized to levy tonnage dues, which have been progressively increased as the activities of the organization have been multiplied. The World War cut short all navigation improvements except the bare necessity of keeping the channel open; and the agricultural and industrial depression during and after the war resulted in a serious decline in traffic. The emergence of several new riparian nations made the old commission unrepresentative; and the crisis caused by the urgent need for extensive improvements in the navigable channel compelled the reorganization of the commission.

The present legal status of the commission rests upon Article CCCXLIX of

the Treaty of Versailles, which provided for a conference of nations to meet within one year and revise the Danube statutes. Accordingly, delegates from Germany, Austria, Bulgaria, Hungary, Belgium, France, Great Britain, Greece, Italy, Yugoslavia, Czechoslovakia and Rumania met at Paris in 1921 and drew up the "definitive statute" which was ratified on June 30, 1922. The new statute created the present European Commission of the Danube, composed of delegates from Great Britain, France, Italy and Rumania, and granted it jurisdiction over the river from its mouth to Braila.

The old International Commission of the Danube was also to be resuscitated and was to possess its customary jurisdiction over the river from Braila to Ulm, the major part of the navigable portion of the Danube. Membership on this commission was granted to all riparian States and in addition to the members of the European Commission of the Danube.

The fluvial commission draws up general plans for river improvement. Although the actual expense and labor is undertaken by the riparian nations, the commission compensates those States which have an unequal burden of improvement, obligation being based on the amount of national traffic. The commission has authority to decide the allocation of improvement costs in case the neighboring nations fail to agree. Disputes over the interpretation of the statute may be referred to a League committee. With headquarters at Vienna, the commission has a permanent secretariat, a technical department, a navigation service, and an accounting and tax controlling department.

The Danube River, for all its riparian States and its enormous length, does not carry as heavy traffic as the Rhine. Although 1,470 miles long, its normal pre-war traffic was only 6,800,000 tons, while that of the Rhine, which is only 520 miles long, was 57,500,000 tons. The Rhine's enormous tonnage is due to the immense movement of coal down the river from the Ruhr and the

movement of ore up the river to the coal fields.

The bulk of the outbound traffic on the Danube consists of agricultural products which are exported by way of the Mediterranean, with a considerable exportation of German manufactured articles destined for Western Europe and the Americas.

Economic paralysis as well as economic jealousies among the Succession States after the war caused a serious decline in traffic as is shown by the following figures:

1911.....	6,802,639 tons
1923.....	3,923,919 tons
1924.....	3,757,010 tons

The gradual but substantial recovery of shipping is shown by the following figures, taken from the latest *Statistique de la Navigation a l'Embouchure du Danube*:

	Vessels.	Tonnage of Vessels.
1918.....	212	302,465
1919.....	574	795,924
1920.....	648	958,563
1921.....	753	1,156,344
1922.....	691	1,154,100
1923.....	794	1,512,791
1924.....	797	1,382,498
1925.....	847	1,403,317
1926.....	964	1,662,932
1927.....	806	1,491,741
1928.....	474	825,524
1929.....	648	1,409,103

Germany is the only State whose traffic has not declined sharply since the war. Her tonnage was 390,648 in 1911, as compared with 510,162 in 1923. Greek tonnage during the last ten years has been larger than any other nation, with Great Britain and Italy close seconds. The following figures, also taken from the *Statistique de la Navigation*, gives the average annual tonnage in 1920-29, inclusive:

	Tonnage of Vessels.		Tonnage of Vessels.
Greece	292,894	Egypt	40,713
Great Britain.....	271,528	Yugoslavia ..	24,772
Italy	243,660	Hungary	19,299
Rumania	105,007	Norway	18,156
France	77,387	Belgium	16,713
Holland	61,336	United States.	15,697
Germany	55,287	Denmark	12,585

Frontier formalities offer serious handicaps to traffic and they abound more on the fluvial Danube than on the maritime sector. Before the war a

vessel could proceed from Passau to Orsova, a distance of 790 miles, without passing a single frontier; today the same route entails frontier formalities in Austria, Czechoslovakia, Hungary, Yugoslavia and Rumania. The tediousness of these ceremonies is illustrated by a report which Walter D. Hines made in 1925:

Upon arriving at the Hungarian frontier at Szob a stop must be made for the Hungarian frontier formalities of entrance. The tow of barges cannot, of course, go alongside the pontoon, so the barges must be anchored in the river. Hence delay is necessarily involved in effecting communication between any given barge and the shore. The barge papers and a list of its supplies must be presented. Police inspection must also be made, including examination of the papers of the crew. A customs agent and a police agent must accompany the barge throughout Hungarian waters, the barge owner paying their compensation, furnishing their lodging and subsistence, and paying their return fare to the point of departure.

Allowing three hours at each frontier, Mr. Hines estimates that the total loss in time to all the barges plying the river in 1924 amounted to 5,000 "barge days," not to mention the cost of towage, dues, fees and other items. Since this report was made many of these delays have been eliminated, and it is now possible to seal the cargo under the hatches, give bond and avoid the most time-consuming of the formalities.

Typical of the perplexing administrative problems presented to the commission is the situation at Belgrade. According to the definitive statute, "ports and their machinery and equipment shall be accessible to navigation and utilizable without distinction in respect of flag, country, of origin or of destination, and without preferential treatment."

Since Belgrade is on the Save, which is not an international river, as well as on the Danube, and since the port facilities of Belgrade are located about a quarter of a mile up the mouth of the Save, Bulgaria declares that Danube traffic is not entitled to equalitarian treatment at the Save waterfront, and

assesses rates double those paid by domestic shippers.

Another cause of discontent is the post-war increase in rates. Rumania has repeatedly lodged complaints against the heavy dues charged by the commission, but the almost total neglect of the channel during the war has made a sharp increase in rates necessary. Before the war the rate for a boat of from 601 to 1,000 tons from the Black Sea to Braila was 1.1 franc per ton, while in 1925 it was 2.75 francs. Slight reductions have been made, particularly in October, 1927; and as fast as physical improvements are accomplished further reductions are expected.

Navigation receipts for the maritime Danube for 1927, which totaled 5,030,-653.24 gold francs, were divided among the following nationalities:

Gt. Britain..	1,155,806	Holland	113,962
Greece	1,150,665	France	112,159
Italy	1,041,537	Belgium	56,869
Rumania ...	236,863	Turkey	56,638
Germany ..	217,215	Norway	55,153
Egypt	173,859	Hungary	26,708
Yugoslavia..	135,259	Denmark ..	25,859

The improvement in the commission's pilotage and navigation services is eloquently shown by the fact that while there were 111 shipwrecks of sea-going vessels between 1861 and 1881, there were only five vessels wrecked in the twenty-year period ending in 1929.

A unique service rendered by the commission is the maintenance of a hospital which gratuitously admitted 256 employes during the year 1929 and granted free consultations to 4,803 persons.

The latest controversy, concerning the jurisdiction of the European commission of the Danube over the channel from Galatz to Braila in accordance with the grant of 1883, brought forth the fourteenth advisory opinion of the World Court. Rumania insisted that merely technical and not jurisdictional functions could be performed by the commission. This dispute dates back to November, 1920. At that time the newly appointed inspector of navigation asked the Paris conference for instructions respecting jurisdiction over this section. He was told to abstain

from exercising jurisdiction until an understanding had been reached. But in 1921, after a collision in this area, the inspector assumed police and jurisdictional powers over the protest of Rumania. In 1922 that country rejected a proposed *modus vivendi*. In 1924 Great Britain called the dispute to the attention of the Secretariat General of the League of Nations, and the subject was placed on the agenda of the Advisory and Technical Committee. The formal report of that body refused to answer the question directly, but declared that the definition of boundary was functional rather than territorial. Finally, on Dec. 9, 1926, the British, French, Italian and Rumanian Governments requested the Council of the League to submit three questions to the World Court for an advisory opinion:

Under the law at present in force, has the European Commission of the Danube the same powers on the maritime sector of the Danube from Galatz to Braila as on the sector below Galatz? If it has not the same powers, does it possess powers of any kind? If so, what are these powers? How far upstream do they extend?

The second question asked whether such powers, if any existed, were territorial in nature, and whether such bounds were identical with the harbor; or, on the other hand, if the competence were functional, what was its exact definition? The third question asked categorically where the demarcation line between the maritime and fluvial Danube should be drawn.

Great Britain was represented before the court by the Right Hon. Sir Douglas Hogg, France by Professor Basdevant, Italy by M. Carlo Rossetti and Rumania by an array of talent which compensated for her solitary position: M. C. Costzesco, delegate to the International Danube River Commission; ex-President Millerand of France and M. Nicolas Politis, ex-Minister of Foreign Affairs for Greece, and M. Ch. Visscher, professor at the University of Ghent.

The British contention rested on the phraseology of the statute of the Danube which declared in Article VI:

The authority of the European Commission extends under the same conditions

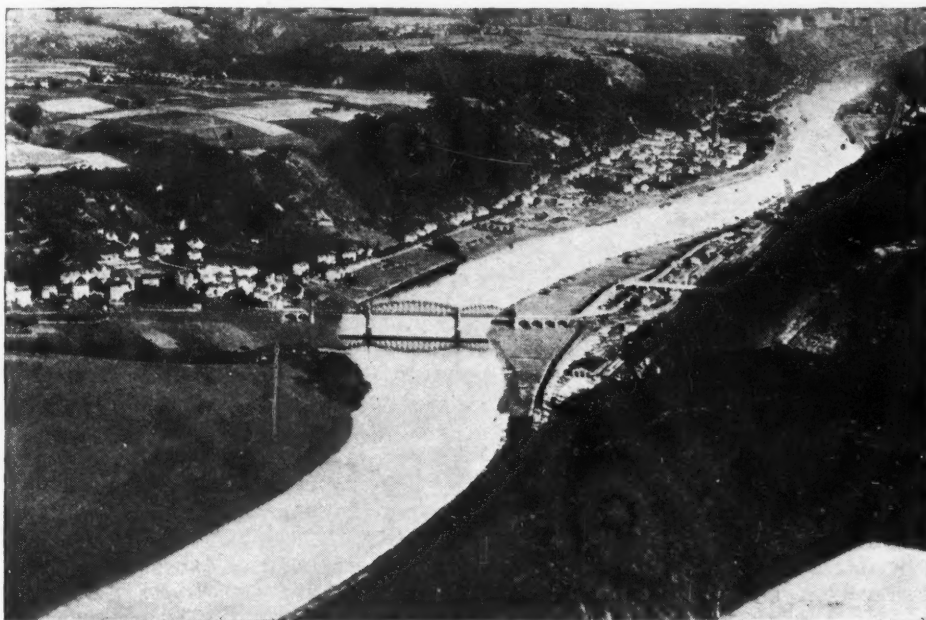
as before, and without modification of its existing limits, over the maritime Danube, that is to say, from the mouth of the river to the point where the authority of the international commission commences.

Although Article IX stated that the competence of the international commission extended over the Danube from Ulm to Braila, Rumania contested this apparently incontrovertible position by asserting that the "same conditions as before" should be determined not by obscure phraseology but by actual conditions of fact. She submitted documents to prove that the extension of the commission's authority in 1883 over the Galitz-Braila sector was not binding upon her inasmuch as she had not signed the treaty of extension, an omission which Great Britain justified by pointing out that under the 1871 treaty only signatory powers could assist in revising that treaty. Rumania took a middle ground by asserting that Article VI of the definitive statute conferred only technical supervision of the disputed area.

Great Britain retorted that Rumania had always acquiesced in both technical and jurisdictional activities of the commission, thus recognizing the entire competence; but Rumania unearthed a mass of documents showing that "under the same conditions as before" she had consistently protested against all jurisdictional activities in the sector and as a triumphant gesture presented to the court an "interpretative protocol" of May 6, 1921, which said:

In stipulating that the authority of the European Commission extends * * * from the mouth of the river to the point where the authority of the International commission begins, Article VI of the statute does not, and shall not hereafter entail any modifications of the conditions under which * * * this administrative régime has hitherto been applied. * * * It is also understood that between Galatz and Braila the European Commission will continue as in the past to maintain the navigable channel and its pilotage service.

From this faintly bewildering document Rumania deduced the proof that only technical functions such as channel improvements and pilotage service could be exercised by the commission,



The fertile valley of the Danube from the air

P. & A.

leaving all matters of enforcing the measures to the land authority, which happens to be Rumania. Certainly the delegates to the 1921 convention could not have intended such an unworkable plan. The powers swept this protocol aside by submitting a wealth of evidence to show that the maritime commission had continuously and effectively exercised jurisdictional functions in the disputed sector from the very beginning of the 1883 régime.

The decision of the court was given on Dec. 8, 1927. The questions were answered as follows:

1. Under the law at present in force the European Commission of the Danube has the same powers on the maritime sector of the Danube from Galatz to Braila as on the sector below Galatz; * * * these powers extend up to the port of Braila this port being included.

2. The powers of the European Commission of the Danube extend over the whole of the maritime Danube, and are not excluded from zones territorially defined and corresponding to harbor zones; the dividing line between the respective competences of the European Commission of the Danube and the Rumanian authorities in the ports of Galatz and

Braila is to be fixed according to the criteria (I) of navigation in the sense of the movement of ships as part of the voyage, the European Commission of the Danube being also competent in regard to navigation in ports, whether the ships are passing through or coming to or leaving their moorings; and (II) of the obligation to ensure freedom of navigation and equal treatment of all flags, the European Commission of the Danube being competent, also as concerns the ports, to exercise the supervision inherent in this obligation.

Question three was already answered when the limit of the jurisdiction of the European Commission was fixed at the upstream limit of Braila. Rumania had lost on all three counts. According to the *Tarif des Droits de Navigation* now in force the commission exercises the disputed jurisdiction as recognized by the court.

The tendency steadily to enhance the authority of the commissions at the expense of the individual riparian nations is merely one demonstration of the growing recognition of the futility of arbitrary political frontiers not based upon logical economic considerations.

Development of Civil Service Reform

By MARGUERITE OWEN

WHEN CONGRESS passed the civil service act in 1883 the death-knell of the spoils system sounded and the era of the merit system in the government employment began. In order to remove the choice of Federal employes from politicians' hands the law provided for the creation of a commission to supervise appointments and for the introduction of competitive examinations.

The merit system is now so generally accepted that the controversy over its adoption fades. Yet it was a bitter struggle, for by 1883 the evil which it overturned was firmly entrenched in the American political system. Public offices were bartered in exchange for party service, and with every quadrennial election the victorious party paid its debts by appointments to the public payroll. That was the spoils system. It had developed gradually with the expanding national government and the growth of rival political parties. For a time it threatened to destroy the new democracy.

The first few administrations under the Constitution were relatively free from the abuses of the patronage characteristic of the later periods when the spoilsmen ruled. The Federal civil service was small in the beginning, partisan feeling was not intense, and apparently there was a genuine effort to select qualified employes and to retain them during good behavior. It is true that correct political opinion was a consideration in selecting appointees even under George Washington, but actual party service was not required, and fitness for duty was essential.

While the sagacity and restraint of the first President postponed its appearance, the development of the spoils system was inevitable. Under the Constitution and the laws of the new government the President, or subordinate

officials under his control, had the responsibility of selecting the Executive civil service, that is, all Federal employes not in the military, naval, legislative or judicial branches of the government. As the President came to be the head of a powerful political party, as well as the Chief Executive of the nation, the Federal civil service began to be regarded as the possession of the victorious party, not the property of the State. Corruption was bound to follow.

The "four-year law," enacted in 1820, laid the foundation for the full development of the spoils system. That act, passed during the Monroe Administration, fixed a term of four years for a considerable number of offices which had previously been held indefinitely, subject to the pleasure of the President. Among them were District Attorneys, collectors of customs, money agents and registers of land offices. Advocates of this law argued that it compelled the regular submission of accounts; that it provided a way to discontinue unsatisfactory public servants without dishonoring them. Nevertheless, it was the cornerstone of the spoils system which triumphed wholly, when in 1829 President Jackson advocated the principle of rotation in office and proposed the general extension of the four-year law. This meant that with every new administration the entire civil service was overturned.

The spoils system had its rules for distribution of jobs. A member of the House of Representatives controlled the places in the district he represented, providing he belonged to the party in power. The appointments in the State-at-large were under the control of the Senator or Senators, if they belonged to the proper party. For the rest, all the members of Congress had a proper share in the general appointments

"from consulships and foreign missions to clerkships in the departments," as one authority writes. Only members of the triumphant party were favored, and even among those any unruly members might be disciplined by exclusion from the country. If the unhappy Representative in Congress chanced to be a member of the opposition party and the Senator from that State was more correctly opinioned, the Senator controlled the patronage for the district. If there was neither Senator nor Representative of the victorious party, some influential party manager was given control of the district's spoils.

The result was the same in any event. The essential qualification for control of and appointment to the civil service was the amount of political or personal service a man could render. Obviously men who were inefficient were appointed. Offices were multiplied at public expense to satisfy the ever-growing

number of aspirants advancing claims of party service, while the time and energy of important officials was wasted in adjusting the claims of rival contestants.

More ominous than inefficiency and waste was the fact that the dishonor attendant upon the spoils evil poisoned the whole political system. Elections, local, State and national, might hinge on the distribution of patronage. Votes in the House and Senate were swayed by the sordid hope of spoils. Honest citizens were in despair. To quote one observer of the "good old days": "Every four years the whole machinery of the government is pulled to pieces. The country presents a most ridiculous, revolting and disheartening spectacle. The business of the nation and the legislation of Congress are subordinated to the distribution of plunder among eager partisans. President, Secretaries, Senators, Representatives are dogged,



From Puck, Sept. 1, 1880

Bring the good old bugle, boys, and trumpet forth the news;
 'Twas but a little while ago that we were in the blues;
 But now we are the Boys in Blue, and ready to enthuse—
 As we go marching for Garfield



From *Puck*, Aug. 11, 1886

**PRESIDENT CLEVELAND PROTECTING
THE NATIONAL CORN FIELD**

Chorus of Congressional crows: "We weren't treated in this way when the Grand Old Party was in charge!"

hunted, besieged, besought, denounced, and they become mere office brokers. * * * The country seethes with intrigue and corruption."

Even with a tragic war engrossing his attention, President Lincoln was concerned with the degradation to which the spoils system dragged the Federal civil service. On one occasion he said of the hungry officeseekers besieging the White House, "There you see something which in course of time will become a greater danger to the Republic than the rebellion itself." And to a civil service reformer he confessed, "I am afraid this thing is going to ruin republican government."

The system became so scandalous that there was wide agitation for reform. There were attempts to provide some kind of examinations for clerkships in the departments, which, in general, were ineffective gestures. The spoilsmen still ruled supreme, until President Garfield was assassinated by a disappointed officeseeker, and public attention was sharply concentrated on the problem. In response to wide de-

mand Congress passed the law of 1883. The cycle of the spoils system had been run.

The new law provided for the appointment of three commissioners, "not more than two of whom shall be adherents of the same party * * * to aid the President" in his gigantic task of selecting the executive civil service. The commissioners were directed to prepare rules for carrying the law into effect, and the act itself specified that the rules should provide, "as nearly as the conditions of good administration will warrant," for open competitive examinations to test "the fitness of applicants for the public service now classified or to be classified hereunder." The law pro-

vided further that appointments should be made from among those graded highest; that a system of appointment among the several States and Territories should be observed; and that there should be a period of probation before final appointment was made. These, briefly, are the essentials upon which the merit system stands.

The three commissioners were sworn in the following March. An office was established in a boarding house parlor on Fourteenth Street in Washington. There, with a staff of one stenographer, the long and painful process of taking the selection of the government's employes out of politics was begun. At first the responsibilities assigned to the newly created commission were modest. Out of approximately 120,000 jobs in the whole executive civil service, less than 14,000 positions, all clerical, were placed in the "classified service." It was for this group only that the commissioners had to prepare and conduct examinations, and carry the law into effect.

The commission's young stenogra-

pher, John T. Doyle of New York, contrived the first two sets of questions. One was designed to test candidates for government service at an annual salary of \$900, and the other, slightly more exacting, for those who aspired to the \$1,200 class. Examples of the tests were incorporated in the commission's report to the Congress. They were purely scholastic. Candidates had to display their skill in simple long-hand copying from dictation. There were problems in arithmetic and questions in geography. Prospective clerks were asked to define an adverb and to identify the Continental Congress. It was quite an innovation, for the applicant's proficiency in holding votes in party caucuses was not mentioned. Even his political affiliations were unknown.

From that day to this the progress of the merit system has been steady, although every extension has been stubbornly resisted. By Executive order and by act of Congress new groups of Federal employes have been placed under the commission's rules. Today almost 450,000 positions, approximately 77 per cent of the entire executive civil service, are under the merit system, and this year more than \$800,000,000 of the public money will be paid to workers selected by the commission. Last year about 45,000 new applicants were chosen, and to secure that number more than 240,000 persons were examined. Some of them were file clerks. Others were pathologists, astronomers, editors and engineers. More than a thousand different examinations were advertised by the commission in 1929. Educational institutions were notified. Newspapers and trade journals carried announcements. Posters went up in postoffices all over the country, and recruits were sought over the air. So far-reaching has the merit system grown that the weather is predicted, bridges and roads are built, diseases are vanquished and death is conquered by men and women who are selected by the commission, and take their places in the classified service because they have the capacity to do their jobs

without regard to their political affiliations or their religions.

The system of examination is more complicated today than it was in 1883, when only two sets of questions were announced. Now examinations are both written and oral. In almost every case a physical examination is required, not only to make certain that the applicant has sufficient strength to do the work proposed and will not endanger the well-being of his associates but in order that he may not, under the compensation law, become unworthily a beneficiary of the government. For many positions a character report supplements the examinations. In examinations for the postal service the fingerprints of more than 42,000 candidates were taken in 1929. As a result, a number of rather gifted crooks were discovered as applicants and speedily eliminated.

The prohibition service, at first left to the happy accidents of patronage, was brought under the merit system by special act of a disillusioned Congress. Approximately 36,000 candidates passed the first two tests, which meant they qualified as far as experience was concerned and passed the mental examination. But exactly 1,185 of that number went down on the character investigation. Their too candid fingerprints or the revelations of the commission's agents betrayed them. More than 500 of those failing had been guilty of serious crimes. There were embezzlers among them, forgers, burglars and men who had been convicted of taking bribes. These men of easy conscience would have been engaged in the business of enforcing prohibition if less rigid methods of examination had prevailed. In the end about 2,600 persons were certified for the prohibition service, and one of the most exacting tasks the commission has faced was laid aside.

Today the United States Government is the world's largest employer, and the commission created by the Congress in 1883 has the job of selecting most of the staff. But too many jobs are still assigned as a mark of a politician's favor. There are now about 17,000 posi-

tions which the President must fill, subject to confirmation by the Senate, such as bureau chiefs and members of important government commissions. Unskilled laborers are not chosen by examination, nor are Ambassadors. In all, about 100,000 civil service positions remain outside the commission's jurisdiction. Some jobs, such as postmasters, are only partly under the merit system's protection. The commission examines the applicants for the position of postmaster in first, second and third-class postoffices. The three receiving the highest ratings are certified to the Postoffice Department, and of these, according to the cynics, the member of the party in power is selected for appointment.

With all its weaknesses the merit system of appointment has justified the faith of its courageous advocates. Unquestionably the quality of government employes has improved. There were honest and efficient men in the public service under the spoils system no doubt, but they had no security in tenure, and with them there were many lazy rascals. A scholar's job might go to a man more skilled with a hoe. Once the position of translator in the State Department was filled by a famous vote-controlling politician. When his capacity was questioned, his partisans were ready with defense. They contended that he qualified because he knew several Indian dialects admirably! The civil service rules prevent such an occurrence today.

In the postal service, where efficiency can be measured with reasonable success, some comparisons have been made. For example, each clerk chosen under the merit system today handles three times as many pieces of mail as a clerk could handle in 1883. It is true that labor-saving devices have been installed, but some of the accuracy and speed can be credited to the modern method of appointment.

Obviously there are fewer replacements under the merit system. Today the annual turnover in the civil service is estimated to be about 10 per cent.

There are no accurate general statistics of the frequency with which the spoilsmen replaced their appointees, but there are examples of the situation in particular services. From 1866 to 1871 the impetuous Collector of Customs at New York made 1,678 removals in 1,568 working days. And every four years there was general expectation that if the administration changed, the whole Federal service would be renewed. The whole spoils system was based on the theory that a complete turn-over "rotation in office" was a desirable feature of government, a theory which was abandoned when the act of 1883 was adopted.

The Civil Service Commission which began work in one room in a boarding house, now occupies a six-story office building on F Street in Washington, overflows to two smaller buildings across the street, and has thirteen district offices scattered over the country. The staff of one has expanded to more than 600; the examinations from two sets of questions in 1883 to more than 1,000 in 1929. Such has been the merit system's growth.

Commissioners come and go, but one man has seen it all. Dorman B. Eaton was president of the first commission. Theodore Roosevelt was a later member. But the lone stenographer of 1883 has remained. He is Dr. Doyle, now secretary of the commission, a position he has held for more than forty years.

Dr. Doyle believes that the commission has accomplished the major purpose for which it was created, but he also thinks that further extension in the merit system should be made. "It is high time that the public realized the quality of its employes," he said recently. "The commission has the responsibility of recruiting and selecting applicants for more than 15,000 positions for which a college degree is a prerequisite, and a very impressive number of scientists and technicians of distinction find their places in the classified government service, because a genuine interest in the public service is more strong in them than the urge to make a fortune."

American Samoa's Demand for Civil Government

By E. NOBLE CALDWELL

PRESIDENT OF THE SOUTHERN CALIFORNIA WOMAN'S PRESS CLUB

THE ADULTS among the 9,000 population of the American division of the Samoan Islands in the South Pacific are anxiously awaiting the investigation by the Congressional commission appointed for that purpose. Last year these Samoans prodded Congress out of twenty-nine years of official somnambulism with a petition for citizenship and brought about the annexation of the islands of Eastern Samoa as a Territory of the United States of America, but without any provision for a civil government or the removal of the stigma of autocratic rule by transitory naval commandants.

The high chiefs of the island of Tutuila ceded their sovereign rights to the United States on April 10, 1900; those of the Manua group followed their example on July 16, 1904. At that time the United States appeared as a savior against the threatened German invasion of the South Seas; and this feeling of security during the ensuing years until 1914, when New Zealand took over the German authority of Western Samoa, softened the disappointment of the Samoans and gave them confidence in the ultimate justice of the "Father" (their affectionate term for the United States Government).

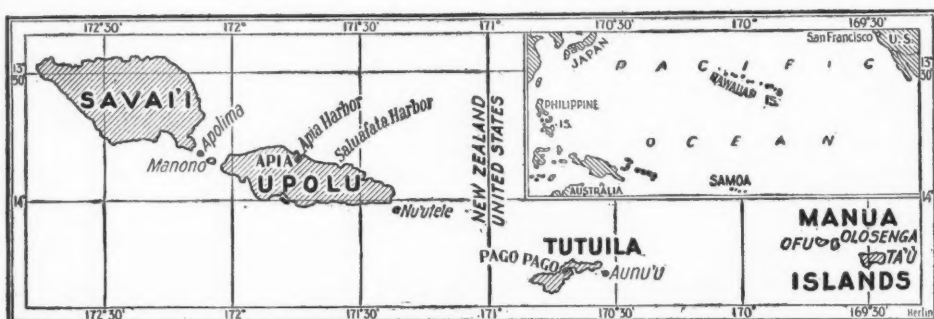
These islands of the South Seas lie 4,000 miles southwest of California. At the easterly extremity of the group is Rose Island, an uninhabited coral atoll which the Samoans call Muu-o-manu, or Bird Island; 75 miles further west is the Manua group, comprising the main island, which is sometimes designated by the group name, but is properly Ta'ù, and two smaller islands, Olosenga and Ofu; next is Tutuila, principal island of the Amer-

ican possessions, upon which is situated the accepted capital in the naval station at Pago Pago (pronounced Pang-o Pang-o); off the eastern tip of Tutuila is the smaller island of Aunu'u; on the northern side of Tutuila is a wooded volcanic rock charted and named Vatia, but not always counted as an island.

In the thirty-five miles between this outpost and the eastern extremity of Upolu Island lies the 171st meridian, which was designated by the three powers, Germany, Great Britain and the United States, in 1889 as the boundary line between Eastern and Western Samoa.

Western Samoa, known before the war as German Samoa, consists of the two main islands of the entire group, Upolu and Savai'i, each with an area which would include four times all the others put together; between these lie the smaller islands of Nu'utele, Nu'ulua, Manono and Apolima. Savai'i is 43 miles long and 30 miles wide and has the only active volcano, the last eruption in 1905 lasting six years and devastating a considerable area. Upolu is 47 miles long and averages 10 miles in width; the other small islands approximate about 6 square miles in all.

Tutuila is 17 miles long and 5 miles wide at its widest point. A range of mountains extends its entire length, with peaks ranging from 1,500 feet to slightly more than 2,000 feet high. Of the Manua group, Ta'ù is 6 miles long with a maximum width of 4 miles; Olosenga is 3 miles long and less than 2 miles wide; Ofu is the same length and slightly narrower, being separated from Olosenga by only a shallow passage easily forded at low tide; each has rocky shores and mountain peaks



MAP OF THE SAMOAN ISLANDS
The insert shows the position of the islands in the Pacific

equal in height to those of Tutuila, which gives an idea of the limited tillable areas on this narrow coastal fringe. Gente Hermosa, or Swain's Island, $1\frac{1}{2}$ miles long and 1 mile wide, is an adopted daughter of our group, having petitioned Congress in 1925 to come under the government of the United States. Owned by an American family since 1856, this island is geographically one of the Union group, although 100 miles away from its nearest neighbor; yet 200 miles from Tutuila. Apart from Gente Hermosa there is only such privately owned land in Eastern Samoa as was purchased under the Berlin act before 1899. Lands can be leased, however, and 360 acres were acquired by a mission in 1902 under a 40-year term. The American naval station occupies 40 acres, with a mile frontage on the harbor. The bulk of the land belongs to the Samoans under their communal laws and each village has its defined boundaries.

Racially, the Samoans are Polynesians, who are credited with one of the oldest civilizations of the world and linked by ethnologists to that more than hypothetical continent of Mu. The history of the Samoans begins with their secession from the Tongans, presumably in about the twelfth century, when they set up their own principality on the islands of the Sacred Moa. What is certain is that after the tyrannical rule of a war priest, who was assassinated in 1829, three aspirants contending among themselves for the

rulership of Samoa unwittingly played into the hands of the three powers and brought about the collapse of Samoan independence. Germany had a well-established copra trading company at Apia as early as 1850; Great Britain had interests in other islands and, with the United States, was only casually concerned in Samoan trade. During the next thirty years, as commercial and political rivalry increased with copra production, each of the three powers was found to be supporting with arms and ammunition a different high chief for the office of supreme chief, or king.

It was at this juncture that High Chief Mauga Manuma of Tutuila petitioned President Grant for American protection, offering in exchange the privilege of a naval coaling station at Pago Pago, the only good harbor in the islands. In May, 1872, President Grant presented the petition to the Senate, recommending its approval, except for obligations which might conflict with the foreign policies of the United States. The Senate took no action. A year later the Secretary of State sent Colonel A. B. Steinberger to investigate the situation. Steinberger's report was made to Congress in April, 1874, and he was sent back to Samoa with a letter from the President and gifts for the chiefs. Then, presumably without further authority, he established a form of government which lasted until a British gunboat shanghaied him in 1876, and although it was a friendly government, Congress re-

pudiated all agreements he had made with the Samoans.

The chiefs of all Samoa then sent High Chief Mamea to Washington. He succeeded in an understanding with Congress to the effect that "naval vessels of the United States should have the privilege of entering and using the port of Pago Pago and establishing therein and on the shores thereof a station for coal and other naval supplies for their naval and commercial marine, and the Samoan Government will hereafter neither exercise nor authorize any jurisdiction within said port adverse to the such rights of the United States or restrictive thereof." It further provided that the United States should exercise its offices to adjust differences which might arise in the government of the islands. A year later Germany made a similar treaty with Samoa with the privilege of a coaling station in Saluafata harbor on Upolu Island. Great Britain, under a treaty made at the same time, also was to choose a site for a coaling station.

This arrangement operated smoothly until 1885, when Germany brought the United States and Great Britain into fresh controversy by taking possession of the town of Apia. Then, after our Congress had adjourned without taking action on its protest, German interests declared war on the Samoans, seized Supreme High Chief Malietoa, deported him and put High Chief Tamasese on the throne with a German adviser. The United States retaliated by fostering a rebellion against Tamasese which resulted in Mata'afa's being declared supreme chief and in the Germans' banishing Tamasese. Congress voted \$500,000 for the protection of American interests in Samoa and sent out another warship.

Into this situation swept the hurricane of March 15, 1889, when six of the seven warships in Apia harbor were piled up on the reef. Three hundred lives were lost, but the Samoans, in spite of the tremendous seas and even the danger of being picked off by German sharpshooters, made themselves

into a life-chain and saved more than 200 lives as the men were washed overboard. This disaster was followed by negotiations for a settlement, and in June, 1889, the Berlin act declared the independence and neutrality of the Samoan Islands with Malietoa Leupepa as supreme high chief. Mata'afa and his chiefs were acquiescent for a year, when they rebelled. Strained relations also had crept into the always doubtful harmony of the three powers; yet the Germans were successful in banishing Mata'afa and twelve of his chiefs to the Marshall Islands.

When Malietoa Leupepa died in 1898, the three powers agreed to bring Mata'afa back if he would abide by the Berlin act, which provided for the election of a successor to Malietoa. So contrary was this to Samoan custom that it failed and the matter was referred to a chief justice who had been appointed by the three powers. He appointed Malietoa Tanu as supreme chief, and again Mata'afa rebelled, this time backed by the Germans. American and British warships fired on Mata'afa's villages and this fracas directly brought about the division of the Samoan principality in 1899.

The Samoans could not but submit to the division of their islands. Yet in spirit and in affectionate regard for race welfare they remain intact and always will be a closely knit people, rivalry of chiefs notwithstanding. Referring to their people, the classic figure of speech, "From Saua, the village of the dawn, to Falealupo, the village of the setting sun," is still a potent phrase of high talking chiefs. Uncles and aunts and cousins celebrate the King's birthday on one side of the 171st meridian and the Fourth of July on the other.

The Samoans' inherent tradition of government through leadership and inborn hostility toward compulsion are causes of the mental gap between them and the naval government at Tutuila. According to Samoan custom there must be a chief in each village and a high chief chosen by each five villages

by virtue of some special service or other qualification. Each chief, or high chief, has a talking chief who serves as an adviser and spokesman. *Fonos*, or councils of chiefs, are dignified and ceremonious assemblages at which matters, great and small, are discussed quietly and thoroughly before a decision is announced. To judge without debate stamps a decision with the tabu, that omen of ill which is tantamount to the activities of the devil. A recent Governor of American Samoa, commenting upon the form of government, says:

Under the difficulties attending the supplanting of such a tribal form of government as existed formerly in these islands by a government meeting the requirements of Western civilization, it would be very hard to see how better results could have been obtained. No extensive argument is necessary to convince a student of Samoan affairs that the Governor [under navy rule] is clothed with too much discretionary power. He may change every law in the codification, even that which establishes the form of government * * * The Governor exercises the sole legislative power. This combination of legislative and executive functions, unguided and unrestricted by a constitutional instrument, presents an unusual principle of government.

Senator Lenroot, discussing his bill regarding the acceptance of the cession to the United States of "certain of the Samoan islands," quoted from the preamble of the cession of Tutuila to the United States:

"The chiefs are desirous of granting unto the said Government of the United States full power and authority to enact proper legislation for, and to control the said islands." There never has been any legislation for the government of these islands, and our rule has been an absolute dictatorship. Since 1900 the government has been administered by a naval officer, who has exercised supreme executive, legislative and judicial power. From his decision there is no appeal. He holds the power of life and death in his hands. Such dictatorship as now exists, benevolent despotism though it may be, is utterly at variance with all our history of which no American can be proud.

Discriminative and restrictive measures against the Samoans by the navy

officials have been a deep humiliation. During the influenza epidemic a less law-abiding people would never have submitted to the regulations imposed exclusively upon themselves. As a result of their obedience the navy doctors made a record of not a single influenza case in Eastern Samoa.

Repeated acts of discrimination and arbitrary legislation led the chiefs in 1921 to send numerous petitions to Washington imploring relief. Congress ordered a court of inquiry. The day before it arrived in Pago Pago the naval commandant committed suicide. The Captain of the warship carrying the board of inquiry was made the new Governor. Before the end of the year the breach of sympathy and understanding had widened until the traditional fono (council of chiefs) was forbidden. But the chiefs met in secret, as they supposed, and next day seventeen of them, and later two others, were arrested as agitators and summoned before the High Court of American Samoa. The judge, who was not a lawyer and had not even a legal training, with the sanction of the naval commandant and with no proof of their guilt, sentenced ten of the chiefs to seven years in jail, eight to five years, and one to two years, besides removing their hereditary titles which, the Samoans contend, was outside the prerogatives of the naval government. While in prison, three of the chiefs died. Chief Lualemaga of Asu in Tutuila was liberated after two years imprisonment and resumed his title as he resumed his place in family and village life, and was again imprisoned.

During this time there came up for trial in Chicago the case of Samuel Ripley, a half-caste resident of California and veteran of the World War. On returning to Pago Pago to visit his people, the Governor refused him permission to land, saying he was a trouble-maker. Ripley brought suit for \$50,000. He lost his case but the Governor was transferred to the Virgin Islands. In the course of the trial it was brought out that there had been

only one murder in Eastern Samoa in twenty-three years.

The harbor revenues of Pago Pago constitute another Samoan grievance. The granting to the United States of the privilege of establishing and maintaining a station for coal and other naval supplies did not include rights to the entire harbor, nor have such rights been ceded in any transaction since. The Samoans have received no benefit from this extensive revenue—the tolls of foreign ships—yet must pay taxes to maintain a government external to their native life.

Until 1921 there was but one public school in Eastern Samoa, the people depending upon the schools of the London Missionary Society which will have been in the islands a hundred years in September, 1930.

In 1926 a Federal school appointee returned from Pago Pago with charges of "gross immorality, high-handed subversion of justice and improper official conduct." The Samoans feel that this lack of concern for educational facilities is an imputation against their intelligence and designed to deprive them of preparations to take part in their own government. Most of all, they demand a dual system of schools, one which will preserve Samoan lore and traditions and the other to prepare them to cope with modern life. They themselves would be able to finance their own Samoan schools.

Samoa has no economic problem; everything is communal; there is no rivalry or greed; every one has what he wants because nature is the provider, except in instances of proximity to European towns such as Pago Pago. Everywhere there are cocoanut trees, which are reset only every twenty-five years and come into bearing the fifth or sixth year, and half an acre of full bearing trees will produce a ton of copra each year. Recently the price of copra was \$130 per ton. Taro, yams, bananas and pineapples have only a

small foreign market at present; many other tropical fruits, besides being perishable on a long haul, have to face the fruit-fly ban. Pigs and chickens thrive with almost no care and cocoanut-fed pork is as delicious as the peanut product of Virginia. The sea is full of countless varieties of excellent fish, and half a dozen breadfruit trees will supply an entire village with this food staple.

It is not this phase of material welfare which concerned the Samoans in their petition to Congress for a civil government. The navy has not been remiss in physical needs. But only under a civil rule in which they could participate, with their own territorial representative in Congress, can the Samoans feel that they would be able to maintain their status quo as a people. It has been suggested that the President should appoint a civil administrator for a four-year term—and longer if the Samoans want him, since they dread too many changes—with a Secretary of Native Affairs selected from among their chiefs to act as interpreter of traditions; and these two executives to act with a Chief Justice and Commissioners of Health, Education and Agriculture, and a House of Chiefs and House of Delegates elected for terms of two years, the Samoans paying the salaries of their own executives. Another plan is that the seventy-two square miles of scenically superb territory of Eastern Samoa be set aside as a national monument and its affairs administered under the Interior Department's National Park Service.

American Samoa has not a sufficient area available for large commercial projects, and the Samoans feel that they can give an intrinsic cultural value to the world in the preservation and promotion of their lore and traditions. It is for this purpose, more than any other, that they hope that the United States will soon readjust their system of government.

Development of the Ultra Microscope

By WATSON DAVIS

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MICROSCOPES manipulated by bacteriologists opened a new world to medical investigation.

Explorations of the microcosmos have saved uncounted lives and alleviated unknown human suffering. But even the most complex and powerful lens of combinations of ordinary microscopes cannot make visible some of mankind's microbic enemies.

To peer beyond this frontier of size the special technique and apparatus of the ultra-microscope has been devised. High intensity light is played upon bodies of small size, and they scatter the light at right angles to the direction of illumination. In the microscope the scattered light from each object forms a visible disk much larger than the object itself and it can be seen and photographed. Thus it is possible to identify the presence of particles of colloidal gold that are less than a two-hundredth of the size of the wave-length of the light with which they are detected. The ultra-microscope is a tool that can be used to study germs that are too small to reveal themselves to ordinary microscopic explorations.

By their effects it is known that dangerous living matter exists even if it cannot be detected. Submicroscopic germs squeeze through the spaces of the finest of porcelain filters instead of being strained out as are larger germs. They are known as "filter passers" or "filterable viruses." The causative agent of smallpox is one of the best advertised but least known of these inhabitants of the ultra-microscopic world. It is a substantial scientific advance when one of the filterable viruses is photographed and declared to be actually alive and not a mere chemical effect.

Scientists working in the neurological laboratory of the Westminster Hospital, London, claim to have discovered

the smallest disease germ yet seen by the human eye. The organism is thought to be that of disseminated sclerosis, commonly called "creeping paralysis." Under the high magnification of 1,800 diameters glistening globules which seem to indicate life were seen and photographed. These are definitely claimed by Sir James Purves-Stewart, neurologist of the Westminster Hospital, and Miss Kathleen Chevassut, the technician who has actually conducted the experiments, to be the organism responsible for "creeping paralysis." This first of the filterable viruses to be identified is an object less than two-tenths of a micron in diameter, a size the minuteness of which may be judged by the fact that it is smaller than the wave-length of all but the shortest ultra-violet light. It is possible that this work will lead to the discovery of the organisms causing measles, infantile paralysis, encephalitis, distemper among dogs and pleuro-pneumonia among cattle.

"Creeping paralysis" some years ago was considered a rarity in America. Today it is fairly common. At almost any time a half dozen cases can be found in the wards of Bellevue Hospital, New York. Its most marked symptom is a progressive inability to walk. It is characterized by episodes of weakness, from each of which a marked recovery is made, although the patient is left slightly weaker each time until paralyzed. Yet a patient rarely dies of the disease. A patient may be virtually helpless over a long course of years. Blond, blue-eyed people seem to be most susceptible. It also seems to be selective as to age, with cases practically unknown in persons less than sixteen years old and very rare after the age of 40. Hitherto, the principal clinical evidence has been the hardening of disk-like patches upon the nerves. Sclerosis

means hardening—multiple-sclerosis, many hardenings. These patches increase in number as the disease progresses.

Apart from the development of Barnard's ultra-microscope, the detail of technique which seems chiefly to be responsible for the discovery is the making of cultures in a completely sterile atmosphere. A chamber a little smaller than an egg crate is exposed to short-wave lengths—ultra-violet rays—until the air it contains has been sterilized. The technician's hands and arms also are sterilized and introduced into this chamber through a device which prevents contamination. Hitherto research with the ultra-microscope has been inconclusive because it has seemed impossible to obtain uncontaminated cultures. Miss Chevassut's technique appears to be a great step forward in this direction, and to have made the isolation of "creeping paralysis" germs possible.

A blood serum known as Hartley's broth is used for the cultures. Virus from the cerebro-spinal fluid of persons suffering from the disease is introduced into the culture tubes in the sterile chamber and the tubes are closed and incubated. When the cultures are examined under a magnification of 1,800 times, spherical globules in clusters appear. When separated they have two motions, one a Brownian movement or very rapid vibration associated sometimes with inert matter under very high magnification. The other appears to be a longer oscillation comparable to the movements of some living bacilli. The apparent organisms are too small to take a stain and can be seen only on a dark field with direct illumination. As yet no nuclear material is evident. But the fact that these forms are discovered only in the virus taken from persons suffering from the disease and that they appear to multiply in cultures, suggests very strongly that they are the first organisms of a filterable virus the human eye has seen and identified. The London investigators are at work on vaccine of killed cultures which offers some promise but

will take many months to fully evaluate.

AN ECLIPSE IN OCTOBER

To Tin Can Island, a tiny bit of land in the South Pacific Ocean, a party of American astronomers are en route, in order to observe a 92-second eclipse that will be visible there on the morning of Oct. 21. One peculiar feature of the eclipse is that it will end on the day before it starts. The eclipse begins on Oct. 22 by the time kept in Australia and Asia. After crossing the 180th meridian the eclipse by change of date takes place on Oct. 21 by the time kept in the United States. Totality takes place in the middle of the forenoon and lasts 92 seconds.

Across the thousands of miles of waters of the Pacific Ocean there is only one small island from which the eclipse may be observed. This is the island of Niuafoou—more familiarly known as Tin Can Island—of the Tonga group which lies about midway between the Samoan Islands and Fiji. The island is volcanic with precipitous banks. Because there are no indentations in the shore line big enough to make a bay, it is impossible to keep a boat on the island. The southeast trade winds usually blow and these make the sea so rough that landing on the island from a boat is usually quite out of the question. Hence, for these reasons, when once a month the interisland steamer goes by carrying the mails, letters and papers for the island are sealed up in a tin can and are dropped overboard. Two natives swim out from shore with a small raft on which is the outgoing mail, also in a tin can. The exchange of tin cans is effected and the island slumbers on peacefully for another month awaiting the arrival of the next mail.

Dr. S. A. Mitchell, director of the Leander McCormick Observatory, is the ranking scientific member of the United States Naval Observatory expedition. Commander C. H. J. Keppler, U. S. N., will be in administrative charge, so as to leave the astronomers free to devote their entire energies to

scientific work. Professor Mitchell will be mainly interested in photographing the flash spectrum, or the spectrum of the last sliver of the sun to be seen before the moon covers it and the first to reappear when totality is over. Other scientific observations to be made include photographs of the corona, the sun's outer layer which is visible only at eclipse time, through a camera sixty-three feet long. This will be operated by Dr. Ross W. Marriott of Swarthmore College. Other corona pictures will be made with smaller instruments, while photometric measurements will be made of the brightness of the eclipse. Besides the American party, a group of astronomers from New Zealand will travel to Niuafoou to take advantage of the 92 seconds of totality. The astronomers will travel by regular steamers to Pago Pago in American Samoa, and from there the mine-sweeper, U. S. S. Tanager, will carry them and their instruments the remaining 300 miles.

NEW INDUSTRIAL GAS

Liquefied propane, a new industrial gas preparation, is now available to country fuel-gas consumers who have no access to domestic gas lines. It is delivered under moderately high pressure, up to 90 pounds, in portable steel tanks, ready to connect to the kitchen stove. Propane is not new to the laboratory. This is, however, probably the first time that a single chemical substance has been extracted from petroleum in liquid form for sale to the everyday retail fuel consumer. All other allied fuels, such as gasoline, benzine, kerosene and the like are uncertain mixtures of a host of substances. For some years there has been a small trade in a very volatile mixed fuel extracted from "wet" natural gas. Such a product contains not only propane, which boils in its pure state at 49 degrees below zero Fahrenheit, but other substances of quite different boiling-point, such as butane, boiling at 33 degrees Fahrenheit, and pentane, 98 degrees Fahrenheit. When a compound fuel of this sort is allowed to

escape from its domestic pressure tank into the kitchen stove, the propane unfortunately comes out more rapidly than the other substances. Later, as the material is used up, the supply becomes mostly butane and pentane. These gases give too rich a mixture in the stove burner. The flame tends to become sooty. Under the new system, the single substance, largely freed from impurities, is stored in the tank. The gaseous product comes uniformly throughout the full life of the tank charge. The manufacture of the gas is suggestive of the industrial preparation of pure alcohol from a fermented solution such as mash or molasses, by fractional distillation. In the case of propane the boiling points of the materials are so low that the whole operation has to be conducted under high pressure. It is then possible to condense the desired gas without recourse to expensive refrigeration.

ESCAPING GAS SIGNAL

The mingled smell of garlic, onions, decayed cabbage, sewer gas and ancient eggs will soon wake the careless sleeper who blows out the gas and goes to sleep. Engineers of the United States Bureau of Mines have developed a warning chemical of terrible smell that they urge should be added to odorless illuminating and fuel gases by gas companies before the fuel is placed in city mains. Ethyl mercaptan, an organic sulfur compound, is the stuff that would be added to provide an unmistakable signal of escaped gas. It has such an intense, disagreeable odor that only one-hundredth of a pound of it in 1,000,000 cubic feet of air will warn. Gas companies could put about eight pounds of it in each 1,000,000 cubic feet of gas and any slow leaks in houses would soon be detected, whereas about forty pounds per 1,000,000 cubic feet of gas would allow their inspectors to detect leaks in mains and service lines underground.

Most manufactured gas has an odor that can be detected when the gas escapes into a room, but natural gas is practically odorless. This is because

natural gas is practically pure methane, CH_4 . Artificial gas, however, in the process of its manufacture from coal accumulates oxygen and complicated compounds of methane, ethylene and acetylene which cause the odor. Natural gas was until recent years allowed to escape from wells, but is now piped to a distance of a thousand miles and promises eventually to supersede coal as a fuel in industry. This has brought forward the problem of safe and economical distribution over vast gas systems and made necessary the evolution of super-smell like ethyl mercaptan. Possibilities of using ethyl mercaptan for a danger signal were first tested about ten years ago in mines. A little of it was put in the air supply lines and within five or ten minutes the miners were beating a hasty exit. Ethyl mercaptan is liquid closely related to the alcohols and is sometimes called thio-alcohol.

STEAM ACCUMULATION

Six hundred tons of steam stored under 190 pounds per square inch pressure in huge steel cylinders help the people of Berlin ride on the street cars to and from work and burn lights in the early morning. These cylinders are the new steam accumulators at the Charlottenburg power station which are attracting world-wide attention because they may be the best means of supplying peak load power. There are sixteen, each sixty-five feet high and fourteen feet in diameter. This is the first large installation of steam accumulators in the world; much smaller units have been used in some European countries. At night and during the afternoon and late morning steam from the boilers is turned into the accumulators until they contain enough to run a 97,000-horsepower turbine for an hour. Then, when the power demand is heavy and exceeds the installed boiler capacity, this surplus steam is released through the turbines. The storage makes the installation of additional boilers unnecessary and makes

possible the use of equipment a greater part of the time.

How to meet peak load efficiently and at lowest cost is one of the greatest problems of power production. This demand occurs no more than 300 or 400 hours a year and lasts only a very few hours at each occurrence. Yet generating apparatus which remains idle the rest of the time must be kept ready to meet it. A reservoir like the one recently built in the United States on the Rocky River of Connecticut is sometimes used to make idle generators store up peak load power. Water is pumped into the reservoir during times of light load and allowed to run out turning turbines when the load is heavy. Turbines with very large overload capacities also may supply excess power, if it is not needed for too long a time. This is done at the Hell Gate station in New York. In Germany obsolete generating equipment and Diesel engines are also used to meet the auxiliary demand.

AN 820-POUND METEORITE

An 820-pound stony meteorite that fell a few months ago near Paragould, Ark., is the largest meteoric stone whose fall was observed and which has been recovered intact. It is now in the Field Museum in Chicago. When it fell it seemed to burst into three pieces, at a height of about five miles. A second piece, weighing about eighty pounds, has been recovered, while Dr. C. C. Wylie, at the University of Iowa, suggests that a third piece may yet be discovered. The large stone struck in a pasture and went down in rather stiff clay to a depth of a little over eight feet. When the meteorite burst, it produced an explosion heard over a great area, while at points hundreds of miles distant it was interpreted as an airplane accident.

The only larger stone meteorite was one that fell at an unknown date at Long Island, Kan., which weighed more than 1,200 pounds, but which broke by striking on a rocky ledge as it fell.

Aerial Events of the Month

S EVEN MONTHS after its launching, the British dirigible R-100, the largest and fastest lighter-than-air ship in the world, crossed the Atlantic from England to Canada on its first flight. To Great Britain the seventy-two-hour crossing of the Atlantic was not only the first step in the development of a policy of rapid communication to bind the different parts of the empire more closely together; it was also a victory in her aerial competition with Germany in which the German Graf Zeppelin has so far held the honors. To the aviation world the flight demonstrated the value of regularly supplied meteorological data, for the voyage provided further information about air conditions over the North Atlantic on a westerly crossing.

The R-100 left Cardington, England, on July 28, planning to follow the great circle course, passing over the northern coast of Ireland, a point just to the south of Greenland, then south to Belle Isle, N. F., and then down the St. Lawrence to Quebec and Montreal. Actually, after leaving England the ship ran into bad weather off the north Irish coast and changed its course to an almost due westerly one, following the steamship lane across the Atlantic.

The airship was 5,000,000 cubic feet in bulk, and had on trial flights reached a maximum speed of eighty-two miles an hour. It carried on its first Atlantic crossing five officers and a crew of thirty-two men, with three technicians as passengers. The British Air Ministry made a great point of not carrying commercial passengers on this flight on the ground that it was purely experimental, and that it was desired to avoid all possible risk. The vessel was expected to take three days on the trip and was stocked with emergency provisions for five days. She actually took four days, being delayed during the last 180 miles by bad weather over

Quebec which reduced speed and caused damage to the covering of one of the stabilizer fins. While this was being repaired in the air for two hours the ship drifted.

The dirigible was equipped with short and long wave radio sets, and received hourly reports of weather conditions from the British Meteorological Office, besides regular and special reports from Greenland, Canada and the United States. It was the reported change in weather conditions which decided Squadron Leader R. S. Booth, the commander of the R-100, to change his course.

Early in the morning of Aug. 1, after the delay over Quebec, the airship was sighted above the St. Hubert airport at Montreal, where, after circling over the city, it was lowered and tied to the mooring mast. The voyage of 3,228 miles took approximately seventy-six hours. The Graf Zeppelin on its voyages over the southern course, which though longer is less dangerous, never took under eighty-one hours, a source of considerable pride to the British.

After ten days of repairs and celebrations the R-100 and her crew set off on Aug. 10 to make a twenty-four-hour cruise of Canada. In addition to the regular crew were several of Canada's leading air technicians who were interested in the flight from the point of view of the future of Canada's domestic aviation.

The death of Glenn H. Curtiss occurred on July 23. With the Wright brothers he was one of the early adventurers in aviation, and next to the Wright brothers probably contributed most to the popularization of aviation. In 1904 he made a motor for a lighter-than-air craft with which Captain Baldwin, the owner, started and flew his ship and returned it to the starting point. As a result of repeated performances of this feat the United States

Government ordered its first army dirigible. Curtiss, from 1907 on, with the aid of Alexander Graham Bell, undertook the making of a heavier-than-air craft, and in 1908 took off, flew for nineteen seconds and landed safely his second airplane. Curtiss then began experimenting with airships that could rise from and land on water, as the result of which the hydriplane was developed. In 1910 he reached the triumph of his early aerial career when he flew a plane from Albany to New York, the first man to do so. From that time on his work in aviation is well known.

Captain Boris Sergievsky has continued his efforts to set altitude records. On July 21 he flew to a height of 28,000 feet in a seaplane carrying 2,204 pounds. It was his fourth record since March.

The transcontinental record from east to west has again been broken. Captain Frank Hawks on Aug. 6 landed his commercial airplane in Los Angeles after a flight from Curtiss Field of 14 hours and 50 minutes. This was 3 hours and 52 minutes less than the time spent by Roscoe Turner in May. Captain Hawks's actual flying time was 13 hours and 35 minutes, but

five stops for gasoline made the total time longer. His flight, averaging 200 miles an hour, gave one more proof of the possibility of rapid commercial and passenger plane service across the continent.

A radio address by Colonel Charles Lindbergh on Aug. 9 was indicative of the serious thought and attention that is being given all over the world to the progress of aviation, particularly in its international and commercial aspects. Colonel Lindbergh laid particular emphasis on the fact that aviation must be recognized as part of the whole system of transportation. "Its mission is to simplify intercourse between countries by rapid transportation of passengers and documents, to bring us in closer contact with other people and to facilitate the negotiations necessary for mutual understanding and trade. The next few years will bring transoceanic routes to unite continental services into a network covering the entire world. * * * Aviation brings with it the necessity of uniform regulations. Aircraft often cross several international boundaries in the space of a few hours and non-uniform local regulations would greatly hamper the development of air lines."

The Briand Plan for European Union

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WHEN, ON MAY 17, 1930, Aristide Briand, the French Foreign Minister, summoned Europe to "unite and prosper," one of his foremost aims was to induce European nations to reflect upon the great obstacles to their peace and prosperity, and to express their views publicly on the plan, the text of which will be found at the end of this article. This object has already been attained. Of the twenty-six States approached all have replied, most of them at length, and their notes in general are well-reasoned documents manifesting a sincere attempt to collaborate toward economic and political union. Furthermore, they show decisively that Europe feels that it is time to divert its attention from a sterile contemplation of past animosities and to concentrate it upon the problems of the day. They show finally that Europe is fully conscious of the present intolerable situation.

The launching of the Briand plan has been extremely valuable in the preparation for European union, as is evident from a study of the replies which show that all the governments are agreed upon the necessity of reorganizing the political and economic life of Europe in accord with certain guiding principles. But not only is there difficulty in harmonizing these principles; the fact must also be faced that each State regards these principles from its own peculiar point of view.

The Briand project, for instance, advocates political cooperation based upon a certain measure of federation, but at the same time would safeguard the exclusive sovereignty of nations. But, as the Dutch reply insists, the coordination of the economic and moral forces of Europe is impossible unless the nations limit to some extent the exercise of their sovereign rights.

Again, one conspicuous purpose of the plan is the lowering of tariff bars. Yet, while all admit that these barriers are not only a nuisance, but an actual menace, and agree "in principle" with this view, most of the European governments make reservations which, taken together, seriously militate against effective reform. Certain nations, for instance, have vital industries which must be protected. France itself protects Bordeaux and Burgundy wines from competing products from her own African colonies. Other States cling to tariffs which stimulate the growth of industries which, although wholly unnatural in the country in question, are felt to be essential in case of war. It would be difficult, moreover, to bring together free trade countries like England and Holland and protectionist States such as Germany and Italy.

Still another division of opinion arises out of the relation of the proposed federation to the League of Nations. France wants a new organization, while many of the replies insist that the present league could carry on all the activities outlined for the new union. If it be answered that the League has failed to effect economic peace—for instance, the hopes raised by the International Economic Conference of 1927 were frustrated—then, it may be remarked, has a new organ any greater chance of success?

Others are apprehensive lest a union distinctly continental in character breed sectional rivalry and ill-feeling, and States with widespread possessions wonder how it is possible to enter into a European union without risking serious complications with their own colonies or dominions.

These are some of the dilemmas inherent in the problem. It will be most interesting to see how M. Briand will

meet these objections, and the debate over the union, set for the September Assembly, will add unusual interest to the League meeting of this year.

It would, of course, be impossible to analyze here all the twenty-six replies to the Briand memorandum. We can only refer to some of the outstanding criticisms of the project, and analyze briefly some of the most important responses. All of them agree in recognizing that the movement is opportune and that M. Briand's intentions are commendable. They are unanimous, too, that the present situation calls for constructive collaboration, particularly along economic lines, but almost invariably they make reservations, and of so vital a nature that it is somewhat difficult to decide which is the more important—the general agreement or the exceptions.

Most of the replies insist that nothing in the proposed union must weaken the authority or diminish the competence of the League of Nations. This pre-occupation takes several forms. Some States content themselves with a mere statement that the League must retain its present powers under the new plan. Others would reduce the new union to a mere committee, a sort of subsidiary of the League. Others go so far as to deny that any new organization is necessary at all. Thus, the British government is "not confident that mature examination will show that the establishment of new and independent international institutions is either necessary or desirable," adding that "since the organs of the League have already begun work on virtually the whole of the program of practical action which the memorandum puts forward," new institutions "could hardly fail to diminish both the efficiency and the authority of the organs of the League." It would seem that this solicitude for the League, while quite legitimate, has been somewhat overemphasized; the Briand plan expressly states that "the European association cannot substitute itself for the League of Nations." The new union would be a "regional entente

within the terms of Article XXI" and "within the framework of the League." On the other hand, it does not seem that the proposed organization could be more successful, either in the economic or political field, than the present League of Nations.

Exception is taken to M. Briand's stand that political action must precede economic progress. Holland, for example, denies that political action must precede economic progress. Especially strong opposition is shown to the contention that economic union must await the solution of the problem of security. In this matter the Briand memorandum stated that "it is, therefore, on the political field that the best efforts of organizers to create for Europe an organic structure must be concentrated."

M. Briand also advocated "the general development by Europe of a system of arbitration and security and the progressive extension to the whole European community of the policy of international guarantees inaugurated at Locarno." Eleven countries have voiced objections to this thesis. The German note, while agreeing that certain political measures must precede realization of economic union, implies that these do not concern the question of security, but rather full equality of status—which of course refers to her present forced disarmament—and the revision of the status quo to remove certain injustices. Italy maintains that security is already guaranteed through the League system; in her opinion, the first step must be a political one, it is true, but not the one mentioned by M. Briand. This prerequisite to economic collaboration, in her eyes, is disarmament.

Certain States object strenuously to the plan on the ground that its main purpose is to preserve the status quo created by the peace treaties. This criticism is fundamental, and touches upon one of the vital problems of European politics. Europe is divided into two camps—those who are satisfied with the situation resulting from the war and those who are not. France

is the great advocate for maintaining intact the situation created by the peace treaties, although she has accepted certain important modifications, such as a reduction of German reparations and the hastening of Rhine evacuation, which were essential to peace. In the other camp we find the "ex-enemy" States, particularly Germany, Austria and Hungary, but also Italy, an "ex-ally," whose desire for a new partition of African colonies is no secret. The point of view of the revisionists is illustrated by Austria, whose reply asserts that there still exist certain political problems of first importance which should be solved in a new European spirit and, if necessary, according to new methods. The German reply, likewise written with great tact, maintains in more forceful terms that a revision of the status quo is essential to peace; "No country can feel more than Germany the defects in Europe's structure. * * * No country is more directly interested than Germany in the correction of these defects. * * * It [the German government] believes that the final aim should be to envisage, in a spirit of conciliation, a comprehensive reform of those conditions recognized to be untenable, and thus bring about a real pacification of Europe, which cannot be based on principles other than justice and equality."

These convictions are held by many students of international affairs, including impartial observers in the United States. It is believed that the peace of Europe (and on other continents as well), whether in the economic, political or psychological field, cannot be achieved so long as "international sores" remain unhealed. For example, there are in Europe today fifteen disputed frontiers. And while Germany remains forcibly disarmed by the peace treaties, Great Britain, France and Italy may maintain great armies and navies. This is contrary to the spirit of the covenant. Vexing minority questions, another result of the status quo, remain unsolved. No project for European union can suc-

ceed, the Briand plan or any other, unless it is accompanied by effective efforts to heal the sores which today plague Europe, rendering impossible the establishment of a healthy state of peace.

A fourth criticism concerns the geographical scope of the proposed union. It will be remembered that M. Briand planned to confine the organization to League members, and this view was upheld by the British note. Many of the replies, however, and these include Germany and Italy, declare that no project for European union would be complete without both Russia and Turkey, while Greece, now on good terms with Turkey, wishes the latter to be included. This difference of opinion, while not insoluble, is important.

Certain of the replies, either because of the outstanding position of the State in question or the pertinence of the arguments offered, deserve special consideration. This is true of the notes from Great Britain, Germany, Italy and Holland.

The reply of the British Government, because of lack of time for consultation with the dominions, is only "preliminary and tentative." Great Britain is concerned lest the new organization weaken the authority of the League, and believes that its proposed activities could be taken care of by the present body at Geneva. This feeling is normal in a nation which has always looked askance at special organs acting outside the League, such as the Reparations Commission or the Conference of Ambassadors.

A second fear manifested by this reply is that the creation of an exclusive European union might encourage dangerous hostility between continents. As one British paper remarks, "The world would not be any better off if for the aggressively nationalist State it had substituted the aggressively nationalistic continent or group of States." This point of view is explainable partly by the wide extent of the empire, and partly by its relations with the United States. A nation whose vital trade relations with her own col-

onies and dominions, scattered throughout the world, are extremely delicate, cannot welcome a customs union fundamentally European in nature. Furthermore, committed as she is to a policy of friendship with the United States, Great Britain hesitates to approve a project which appears to be directed, in part at least, against America. Finally, a free-trade State cannot enter unreservedly into a union most of whose members are protectionist countries.

The German reply, closely reasoned and carefully worded, was so significant that British papers hailed it as one of the great diplomatic documents of the day. It demands revision of the injustices caused by the peace treaties, and declares that "the fate of every attempt to better the political situation in Europe will depend on the application of principles of integral equality of rights, equal security for all." This is a reference to Germany's present unfavorable position in respect to armaments. Secondly, Germany, like Great Britain, expresses the fear of evil consequences from the division of the world into rival continental groups. She also insists that the new union must not be permitted to weaken the League. This was to be expected, for while Germany has expressed much disappointment with the work of the League, as long as she remains a disarmed State, without powerful allies, her greatest hopes for security necessarily rest upon the League system. It is well known that the small or weak State is the most ardent advocate of international justice and arbitration.

Germany favors the lowering of the present tariff walls, for while she is a protectionist country she fully realizes that a high tariff is a two-edged sword, and a bitter experience with Poland has proved to her that tariff wars are disastrous to all concerned. Economic co-operation, however, in her opinion, cannot be effected by governments alone; private individuals have an important rôle in this matter, as already illustrated in the cartel movement. Finally, Germany favors the inclusion of Russia

and Turkey in the union, and believes that these States should be represented at the forthcoming debates at Geneva.

Despite statements made by Mussolini in a contrary spirit, the Italian note was conciliatory in tone. Like Germany and Great Britain, Italy fears that the new plan might stir up rivalry and ill-feeling between continents. Furthermore, she asks whether the union would not endanger the organic unity of the League of Nations. At any rate the union must provide for equal authority for all members and not repeat the error of the league, whose council is dominated by several powerful nations.

Italy appears as the protector of the defeated nations by advocating the elimination of the last vestige of differentiation between victor and vanquished in the last war, and the establishment of conditions of absolute equality for all. This attitude is one of the pillars of Fascist foreign policy and is in harmony with the demand for a revision of the status quo from which Italy hopes to profit, particularly in Africa.

The most important criticism contained in the Italian reply, and the one most firmly resented in France, concerned the Briand conception of security. According to the Italian note, security is already provided for in the League system, reinforced by the Locarno treaties and the Pact of Paris. This system of security, however, is incomplete because it has not been accompanied by a reduction of armaments. Disarmament is not formulated in the French memorandum, says the reply, and it constitutes the essential starting point for an integral solution of the problem of security. In taking this stand, which in itself is full of truth, the Italian Government has again stirred up the controversy with France, so bitter since the London conference, over parity. Coming soon after Mussolini's lyrical vaunting of the beauty of cannon and machine guns, this advocacy of disarmament is not particularly convincing. Nor is the desire to safeguard the League, so firmly

manifested in the note, quite a logical position for the country whose reactionary foreign policy has so often embarrassed the prestige and halted the progress of the Geneva organization.

Because of their pertinence certain points in the Dutch reply merit emphasis. Holland believes that the first step toward economic collaboration should be a general reduction of customs duties. This was to be expected from a free-trade country, but the note goes further and states that political action need not precede economic measures, and that it is unnecessary, as the French maintain, first to guarantee security. We have already noted the apt criticism that effective cooperation requires some surrender of sovereignty, the note remarking that "a conception of sovereignty which would leave no room for accepting voluntarily certain limitations of the power of the States should * * * be put aside as incompatible with the very nature of international relations." Finally, in expressing the fear that continental rivalries may result from the union, Holland, like Great Britain, takes a stand that is to be expected of a great colonial power.

Of the other replies, that sent by Hungary brought vividly to light one of the major difficulties which the scheme, as a practical working plan, will encounter. On the assumption that the League of Nations is not to be interfered with, the proposal itself was welcomed. A strong stand was, however, taken to the effect (1) that any arrangement worked out must take full account of the questions which disturb the peace of Central Europe, in particular, the problem of minorities; (2) that Hungary will refuse to enter any federation predicated on perpetuation of the European status quo; (3) that she can become a member only if positively guaranteed that she will not be expected to abandon her campaign for revision of the peace treaties. From the Magyar point of view this is a perfectly logical position; the benefits to flow from treaty revision might well be expected to outweigh those accruing

from membership in the proposed federation. Even, however, if the larger powers should be willing to enter a federation expressly recognizing the legitimacy of the treaty-revision campaign, the States of the Little Entente would certainly not be so. Hence, revisionist ambitions seem likely to be one of the first snags which the plan, when the time comes for formal discussion of it, will encounter.

The Polish Government's reply was decidedly favorable, and especially its reaction to that section of the memorandum which suggests that political security must precede economic union. Like France herself, Poland has every reason to want the present international political status maintained, and a disturbing revival of talk about revision of Germany's eastern frontier and abolition of the Danzig corridor has naturally intensified her feeling on the point.

The reply by Czechoslovakia emphasizes that from the earliest days of her existence she has been inspired by the idea that political and economic cooperation among European States would be furthered by regional agreements. Her own leadership in broadening out the scope and character of the Little Entente, especially on the economic side, might have been cited as an evidence, although, of course, that alliance goes much further in a military direction than anything envisaged in the Briand plan. The Briand proposal is therefore greeted with satisfaction, and the government's reply recommends the appointment of a commission at Geneva during the coming Autumn to make a thorough study of it. Any federation that may result, it is added, must be based on respect for the sovereignty of the member States and non-interference with the League of Nations. President Masaryk is quoted as looking upon the Briand suggestion as a political step of the first order, by reason of its boldness of conception and the applicability of its basic ideas to existing conditions.

Rumania signified whole-hearted acceptance of the Briand plan and laid

special emphasis on the necessity for federal union as a remedy for the profound economic crisis now existing in Europe. The note called for close economic cooperation and assigned to the political aspects of the plan a decidedly secondary importance.

Yugoslavia's answer was entirely favorable, but suggested that the affiliation should embrace only those States which are members of the League of Nations and should itself represent simply an extension of the work of that organization.

Bulgaria expressed full sympathy with the idea and suggested that, although there might be "temporary obstacles" to including Russia, Turkey ought to be invited to participate.

Spain accepted the proposal "in so far as Spain's close relations with the Spanish-American republics would not in any way be interfered with or jeopardized." The stipulation is also made that concerted activities of the union should not overlap or interfere with regular functions of the League of Nations.

Portugal expressed cordial sympa-

thy with the idea, but made reservations concerning her relations with Brazil similar to those made by Spain in respect of Spanish America.

We know what the European nations think of the ambitious and far-seeing Briand plan. If their replies manifest considerable confusion, this could hardly be otherwise, since each State was considering a new movement from its own personal point of view. It is possible that the forthcoming debates at Geneva may clarify this confusion to some extent, but the problems at hand appear to be so profound and so delicate, the conflicting points of view so fundamental, that we cannot expect the birth of a European union in the near future. Nor did M. Briand anticipate an immediate solution. He well knew that the task at hand was extremely delicate and would require years of effort, characterized by the greatest patience. At all events, it is certain that the movement has been given an excellent start, and its evolution may be more rapid and its results more important than any of us anticipate.

Text of Briand's Plan for a European Union

MEMORANDUM ON THE ORGANIZATION OF A SYSTEM OF EUROPEAN FEDERAL UNION.

DURING the first meeting at Geneva on Sept. 9, 1929, at the request of the representative of France, qualified representatives of twenty-seven European States, members of the League of Nations, were asked to consider an understanding among the governments concerned with a view to creating among the peoples of Europe a kind of Federal bond which might establish among them a system of constant solidarity and permit them, whenever necessary, to enter into immediate contact for the study, discussion and settlement of problems of common interest.

The representatives consulted were unanimous in recognizing the necessity of an effort in this direction, and undertook to recommend to their governments a study of the question which had been submitted by the representative of France, and which he had already brought up on Sept. 5 before the tenth Assembly of the League of Nations.

In order to emphasize their unanimity, which already had established in principle a moral union of Europe, they decided to draft without delay the procedure which seemed to them most fitting for the facilitation of the proposed inquiry. They confided to the representative of France the task of setting down in a memorandum to the governments concerned the essential points on which they should concentrate their study; to collect and register their opinions; to set forth the conclusions of this broad consultation and to draw up a report to be submitted to a European conference which might be held at Geneva during the next Assembly of the League.

While working at this task which had been confided to it, the government of the French Republic recalls the general attitude and the essential reservations which dominated the thoughts of all the representatives who met at Geneva on Sept. 9 last.

The proposal which was submitted for study by the twenty-seven European governments found its justification in a very definite feeling of collective responsibility

in the face of the danger which threatens European peace from political, economic and social viewpoints because of the lack of coordination in the general economy of Europe. The necessity of establishing a permanent system of solidarity by agreement for the rational organization of Europe results indeed from the same conditions of security and welfare of the peoples which the actual solidarity of their geographical position imposes on them in this part of the world.

There can be no doubt that today the lack of cohesion in the grouping of the material and moral forces of Europe constitutes in practice the most serious obstacle to the development and efficiency of all the political and juridic institutions on which the first efforts to establish an organization for universal peace can be founded. This dispersion of forces limits gravely in Europe the possibilities of enlarging the economic market, the attempts to intensify and improve industrial production and thereby all safeguards against labor crises, which are a source of both political and social instability. The danger of such dissociation is increased, in fact, by the length of the new frontiers (with their 12,000 miles of customs barriers) which the peace treaties created in an effort to satisfy national aspirations.

Even the activities of the League of Nations, whose responsibilities are as heavy as they are universal, may be exposed in Europe to serious dangers if this territorial division is not as soon as possible compensated for by a bond of solidarity which will permit European nations to realize their geographic unity and to establish within the League one of those regional understandings which the pact formally recommends.

A formula of European cooperation, in conjunction with the League of Nations, would thus increase instead of diminishing the League's authority, as it is closely in accord with the League's views.

There can be no question of constituting a European group outside the League. On the contrary, it is a question of harmonizing European interests under the control and in the spirit of the League by incorporating within its universal system a limited system, which therefore would be all the more effective. The creation of a European federal organization would be an element of progress for the League of Nations, from which the non-European nations might benefit.

Such a conception cannot give rise to any misunderstanding any more than does that which preceded it in a much smaller area—the Locarno agreements, which initiated the true policy of European cooperation.

Some questions, in fact, are of interest to Europe alone, questions on which the European States might feel the need of

taking by themselves more immediate and more direct action in the interests of peace, and in regard to which they alone would benefit because of their ethnical affinities and common civilization. The League of Nations itself, in the general exercise of its activities, has had more than once to take account of this geographic unity which Europe constitutes and to which common solutions might be applied which could not be applied to the whole world. It would be exactly one of the tasks of the proposed association to prepare and to facilitate the coordination of the purely European activities of the League of Nations.

Far from constituting a new instrument of contention for the settlement of disputes, the European association, which could not be called upon in such cases to use its good offices except as a purely consultative body, would be qualified to treat the special problems the settlement of which had been confined by the pact or by the treaties to a special procedure of the League or to any other procedure expressly defined. But in those cases in which the task was essentially reserved to the League, the federal bond between the European States would still play a very useful rôle in preparing a favorable atmosphere for pacific settlements by the League or in facilitating the practical execution of its decisions.

Furthermore, the representative of France has been anxious from the start to avoid any ambiguity. When he took the initiative for the first European meeting he considered that it ought to include only representatives of States which are members of the League and should be held at Geneva during the meeting of the tenth Assembly—that is to say, in the atmosphere and within the scope of the League of Nations.

The proposed European organization would not be in opposition to any ethnical group on other continents or in Europe itself outside the League of Nations any more than it would be in opposition to the League.

The work of European cooperation is of such immediate and vital necessity that it is an end in itself. It is a positive undertaking, and there can be no question of its being directed or letting itself be directed against any one. On the contrary, this work ought to be carried out in the full and friendly confidence of, and often even in collaboration with, all other States or groups of States which are so sincerely interested in the organization of universal peace as to recognize that the interests of greater homogeneity in Europe, in which modern laws of international economy and constant national limitation are thrown into conflict, would produce conditions of stabilization indispensable to the development of their own economic interchange.

The policy of European union for which every effort to find a first bond of solidarity should seek implies, indeed, a conception absolutely different from that which has formerly determined in Europe the formation of customs unions tending to the abolition of internal customs barriers in order to raise more rigorous barriers on the confines of the community; that is to say, to constitute in effect a fighting instrument against the States situated outside these unions.

Such a conception would be incompatible with the principles of the League of Nations, which are closely attached to the idea of world-wide scope and which remain its aim even when it seeks or favors partial realizations.

It is under this general conception that the proposed study must be clearly placed, so that the institution of the federal bond which is sought will in no case or in any degree affect the sovereign rights of the States which are members of such an association.

It is on a plan of absolute sovereignty and entire political independence that the entente between European nations must be realized. It would be, furthermore, impossible to imagine the least thought of political domination in an organization deliberately placed under control of the League of Nations of which the two fundamental principles are precisely the sovereignty of States and their equality of rights. And together with the rights of sovereignty, cannot the genius of each nation be strengthened in its particular cooperation in a collective way with a Federal union fully recognizing the conditions and characteristics of each people?

It is with these reservations that the Government of the French Republic, in conformity with the procedure drawn up at the first European meeting on Sept. 9, 1929, has the honor to submit today for examination of the interested governments an outline of the different points on which they are invited to formulate their opinions.

I.—Necessity for a general pact, however elementary, to affirm the principle of European moral union and to consecrate the fact of solidarity between European nations.

In a formula as liberal as possible, but indicating clearly the essential objective of this association in the service of the collective work and pacific organization of Europe, the signatory governments should undertake to make regular contacts, in periodical or extraordinary meetings, for the examination in common of all questions likely to interest as of primary importance the community of European peoples.

OBSERVATIONS

1. The signatory governments being thus

bound to the general principles of a certain common policy and the principle of a European union being thus henceforth removed from all discussion and above all procedure in daily application, the study of ways and means would be reserved to the European conference or to the permanent organization that would be called upon to constitute a living bond of solidarity among European nations and thus to incarnate the moral personality of the European union.

2. This initial and symbolic pact, under cover of which would be pursued the determination, organization and development of the constituent elements of the European association, should be drawn up in such fashion as to limit itself by defining the essential rôle of this association. (The eventual extension of this pact of principle into a more detailed charter should be reserved for the future.)

3. The terms of the European pact should, however, take into account the essential reservations indicated in the present memorandum. It should seek to define the character of Europe considered as a regional entente within the terms of Article XXI of the covenant of the League and itself functioning within the League of Nations.

(It should be set forth that the European association cannot be a substitute for the League of Nations in tasks confined to that body by the pact or by the treaties, and that even in its own domain of the organization of Europe it should coordinate its particular activities with the general activity of the League of Nations.)

4. In order better to emphasize the subordination of the European association to the League of Nations, the European pact should be confined at its origin to States which are members of the League.

II.—Necessity of its own machinery to assure to the European union the organs indispensable to the accomplishment of its task.

A. Necessity of a representative and responsible organ in the form of a regular institution of the "European conference" composed of representatives of all the European Governments, members of the League of Nations, which will remain an essential and directive organ of the European Union in liaison with the League.

The powers of this conference, the organization of its presidency and regular and extraordinary sessions should be determined at the next meeting of the European States, which shall have to deliberate on the conclusions of a report of inquiry, and which, under the reserve of governmental approval or indispensable parliamentary ratification, should assure the perfecting of the project of European organization.

OBSERVATION

In order to avoid any predominance in favor of one European State over the others, the presidents of the European conference should be elected annually and function in rotation.

B. Necessity of an executive organ in the form of a permanent political committee composed only of a certain number of members of the European conference and assuring practically to the European union its organ of research and at the same time its instrument of action.

The composition and powers of the European committee, the manner of designating its members, the organization of its presidency and of its regular and extraordinary sessions should be determined at the next meeting of the European States. The activity of this committee, like that of the conference, being within the framework of the League, its meetings should be held at Geneva, where its regular sessions could coincide with those of the Council of the League.

OBSERVATIONS

1. In order to remove the European committee from any particular predominance, its presidents should be chosen by rotation.

2. As the committee can include only a restricted number of representatives of European nations, which are members of the League of Nations, it should have the power to invite at any moment representatives of other European nations, whether or not they are members of the League, who might be particularly interested in the study of any question. Furthermore, it should reserve the right, at any time it might judge necessary or opportune, to invite the representative of a non-European power, whether a member of the League or not, to attend or even to participate, with a consultative or deliberative voice, in the discussions on a question in which that power may be interested.

3. One of the first tasks of the committee could be:

On the one hand, the general examination of all procedure for the realization and application of the project under consideration, in conformity with the essential conditions of consultation of the governments, and the investigation of the ways and means for setting forth technically the constituent elements of the future European Federal union.

On the other hand, the general inventory of a program of European cooperation, including:

(a) The study of political, economic, social and other questions of particular concern to the European community and not yet dealt with by the League of Nations;

(b) Special action to be taken to put in force by the European governments general decisions of the League.

4. The committee, after adoption of a

general program of European cooperation could entrust the study of certain subjects to special technical committees, in the assurance that the necessary conditions for the work of the experts would always be kept under the control and immediate influence of the political element, emanating directly from the governments which retain joint responsibility for the pursuit of their international undertaking and which alone can assure success on a political plane on which it finds its higher justification. (The presidency of the technical committees could be entrusted, in each particular case, to a European statesman chosen either from within or outside the European political committee.)

C. Necessity of the service of a secretariat, limited in the beginning, to assure the administration and execution of the instructions of the president of the conference or of the European committee, communications between governments which are signatories of the European pact, convocations of the conference or the committee, preparation of their discussions, registration and notification of their resolutions, &c.

OBSERVATIONS

1. In the beginning the secretariat might be entrusted to the government, responsible for, in rotation, the presidency of the European committee.

2. When the necessity of a permanent secretariat arises, it should also be established at Geneva.

3. The organization of the work of the secretariat should always take into account the possibilities of at least partial and temporary utilization of the special services of the secretariat of the League of Nations.

III.—Necessity of dealing in advance with the fundamental purposes which should determine the broad outlines of the European Committee and guide it in its studies for the elaboration of the program of European Organization.

(This third point could be withheld for consideration by the European meeting).

A. General subordination of the economic to the political problem.—All possibility of progress toward economic union being strictly determined by the question of security, itself closely bound up with the question of possible progress in the realm of political union, it is in the political field that constructive effort should be first directed toward giving Europe its organic structure. It is also along these lines that the economic policy of Europe, as well as the tariff policy of each particular European State, should subsequently develop.

An opposite procedure would not only be useless but would also appear to the weaker nations as likely to expose them without guarantees or compensation to the

risks of political domination which might result from industrial domination by the better organized States.

It is therefore logical and normal that the economic sacrifices to be made to the whole will find their justification only in the development of a political situation establishing confidence between the peoples and true pacification in their minds. And even after the accomplishment of such a state of affairs, assured by the establishment of a system of constant and close association for peace between European peoples, the intervention would still be necessary, on the political plane, of a keener feeling for international requirements, to impose upon the members of the European community in favor of the collective organism the sincere conception and effective pursuit of a truly liberal tariff policy.

B. Conception of European political cooperation should tend toward this essential end: a federation built not upon the idea of unity but of union; that is to say, elastic enough to respect the independence and national sovereignty of each of the States, while assuring to all the benefits of collective solidarity for the settlement of political questions involving the fate of the European community or of any one of its members.

(Such a conception could imply as a consequence the general development by Europe of a system of arbitration and security and the progressive extension to the whole European community of the policy of international guarantees initiated at Locarno until such time as the special agreements or series of agreements are merged in a general system of agreements.)

C. Conception of the economic organization of Europe should be directed toward this essential aim: a rapprochement of the European economic systems brought about under the political responsibility of the governments working in unison.

With this purpose in mind, the governments could definitely agree to the terms of a general act in which were stated the principles of a simple pact of economic solidarity and the purposes of their tariff policies. The ideal would be the creation of a common market, raising to a maximum the level of human well-being within the boundaries of Europe. Under this inspiration an immediate start could be made toward a rational organization of a European system of production and exchange, by means of the gradual liberation and methodical simplification of the circulation of goods, capital and persons with no other reservation than that of the needs of the national defense of each State.

Once the principle of such a tariff policy is adopted and finally agreed upon by all the governments, the study of ways and

means for its realization could be entirely reserved for the technical consideration of a committee of experts under the conditions set forth in Chapter II, B, Observation 4.

IV.—Expediency of reserving either for the next European conference or for the European committee the study of all questions of method, including the following:

A. Determination of the field of European cooperation, notably in the following domains:

1. General economics: The effective application in Europe of the program set up by the last economic conference of the League of Nations, the control of policies of industrial unions and cartels among different countries, examination and preparation of all future possibilities regarding the progressive lowering of tariffs, &c.

2. Economic equipment: Establishment of coordination of large public works undertaken by European States—roads for main motor car traffic, canals, &c.

3. Communications and transit: By land, water and air: Regulation and improvement of inter-European traffic, the co-ordination of the work of the European waterway commissions, agreements among railways, and a European system of posts, telegraphs, telephones, broadcasting systems, &c.

4. Finance: Encouragement of credit to be devoted to the development of economically backward regions of Europe, the European market, monetary questions, &c.

5. Labor: Settlement of certain labor questions of a special European character, such as inland navigation, glass trades, settlement of questions of continental or regional scope, such as the social consequences of inter-European emigration (uniformity of application of social insurance laws, workmen's pensions, workers' insurance, &c.).

6. Hygiene: Extension of certain methods of hygiene on which experiments have been made by the League's hygiene organization (notably the regeneration of agricultural districts, insurance against sickness, national schools of hygiene, the study of European epidemics, the exchange of information and staffs between national health services, scientific and administrative cooperation in the fight against great social plagues, against occupational diseases, infant mortality, &c.).

7. Intellectual Cooperation: Cooperation of universities and academies, literary and artistic relations, concentration of the news system in regard to agencies, the transport of newspapers, &c.

8. Interparliamentary Relations: Utilization of the organization and work of the Interparliamentary Union for the development of contacts and exchange of views among parliamentary circles of the dif-

ferent European countries for the purpose of preparing the political ground for the work of the European Union which would require parliamentary sanction, and in a general way to improve the international atmosphere of Europe by mutual understanding of the interests and feelings of the peoples.

9. Administration: Formation of European sections in certain world-wide international bureaus.

B. Determination of methods of European cooperation on questions which would be dealt with by the European conference or the European committee.

It might be advisable as the matter demanded—

Either to set up organizations for coordination and study where there are none today (for example, concerning the question of equipment of various inland navigation commissions);

Or to support the efforts of the League concerning those questions already subject to methodical study (especially in preparing by exchange of views and friendly negotiations for the enforcement in the relations of the European States of conventions established or of recommendations made by the League of Nations);

Or, finally, by summoning conferences, European or world-wide, by the League of Nations concerning questions capable of being solved by the League, but which have not yet been disposed of. (At all European conferences, the non-European States would be invited to be represented by observers, and any convention set up by a conference called on demand of the European States, provided its purpose was not strictly continental in its object, would remain open to the admission of the non-European States.)

C. Determination of all modes of collaboration between the European Union and the countries outside the Union.

In requesting an opinion, on the four points outlined above, of the twenty-six European States by which it was charged to make this inquiry, the Government of the French Republic wishes to put forward this general observation, namely, that it has, for purely practical reasons, thought it should devote itself to as elementary a conception as possible for purposes of consultation—not that it intends to limit the future possibilities of the development of a European federal organization, but that because in the present condition of the European world and for the sake of increasing the chances of unanimous consent to a first concrete proposal capable of reconciling all interests and all the special situations involved, it is essential to confine itself to the initial conditions of a few very simple ideas. Furthermore, it is good method to proceed from the simple to the complex and to trust to time in the task of achieving, with the aid

of experience, by constant evolution and a kind of continuous creation the complete expansion of the natural resources which the European Union is likely to contain within itself.

It was a conception of that character which was already guiding the French representative when, before the first European gathering convened at Geneva, he suggested merely as a starting point the seeking of a simple federal bond to be set up between European governments which are members of the League of Nations with a view to assuring their practical cooperation.

It is not a question of trying to set up in all its parts an ideal mechanism to satisfy in the abstract all the logical needs of a vast European union, but, on the contrary, by avoiding what would be premature, to begin a practical and effective realization of the first means of contact and constant solidarity between European governments for the settlement in common of all problems bearing on the organization of European peace and the rational organization of the vital forces of Europe.

The government of the French Republic would be grateful to receive before July 15 the replies of governments consulted, with all spontaneous remarks and suggestions with which they may care to accompany their replies. The French Government expresses the firm hope that these replies, inspired by a deep concern to help satisfy the expectation of the peoples concerned and the aspirations of the European conscience, will provide the elements of understanding and conciliation making possible, with the embryo of a federal organization, the lasting framework of European cooperation for which the next Geneva meeting will be able to draw up a program. The time has never been more propitious nor more pressing for the initiation of constructive work in Europe. The settlement of the chief material and moral problems resulting from the last war will soon free the new Europe from a burden that bears most heavily on its mind as well as on its economic life. Europe already appears ready for a positive effort which will fit in with the new order of things. It is a decisive moment when an expectant Europe can ordain her own fate.

To unite so as to live and prosper—such is the strict necessity hereafter confronting the nations of Europe. It seems as if the peoples have already clearly shown their mind on the subject. It behooves the governments to assume today their responsibilities for the grouping of the material and moral forces they control for the benefit of the European community as well as mankind, under the penalty of surrendering to the risk of private initiative and disorderly enterprise.

A MONTH'S HISTORY OF THE NATIONS

European Reaction to American Tariff

By JOHN B. WHITTON

THE NEW AMERICAN tariff has caused consternation in many countries and has inspired various plans for retaliation whose fundamental motive is self-defense. Measures are being taken collectively both by European and Central European States and individually by governments or influential interests in France, Great Britain, Italy, Spain and Belgium.

The International Committee for a European Customs Union met at the French Foreign Office in Paris. Fourteen European States, including Great Britain, were represented. While the delegates did not represent their governments, they included personalities of the highest importance, for example the French Ministers of Commerce and Agriculture, and Daniel Serruys, one of the world's most eminent economists. The discussions centred upon the possible consequences of the new American customs duties and the nature of necessary defensive measures. The progressive lowering of European tariff walls and the extension of European industrial cartels were also considered. Several resolutions were adopted. The two most important related to an understanding between European countries for the purchase of raw materials, and the formation by France, Germany and neighboring countries of a regional customs union as the first step toward a European customs league.

Another collective movement directed

in part at least against the United States concerns copper interests. On July 3 it was reported that the revolt against American domination of world copper prices and production had already gained considerable headway. This movement was led by influential companies in Great Britain, Belgium and Germany. Invitations had been extended to half a dozen other important copper buyers to attend a conference to form a general group of European copper consumers in order to offset the centralized strength of Copper Exporters, Inc., the world copper combination which is controlled in the United States. Several large British and Belgian producers, it was reported, have given notice of their withdrawal from this company; others are expected to follow. The proposed copper congress will also consider a project for buying copper from sources other than the United States, especially because it was hoped thereby to find steadier prices. Competent authorities asserted that the effect of these efforts would probably be the gradual diminution of copper purchases in the United States.

On July 11 the European steel cartel, sitting in Paris, appointed a committee to revise and reconstitute the general agreement between European manufacturers which had met with difficulties.

Announcement was made, moreover, that the European automobile industry was making progress toward relieving European exporters from the new

Italian automobile tariff. In this matter it is worth remarking that the new Italian rates were greeted in France by protests from automobile dealers. These interests pointed to the unhappy effect of Italian duties on French exports as the inevitable result of reprisals taken individually by one State, and argued in favor of a concerted plan of action against American customs policy.

Chambers of commerce throughout Europe have also been agitating in favor of the Briand economic federation. They are especially interested in general trade collaboration throughout the continent. French financial and industrial authorities have been most active, seriously studying the effect of the new American duties and possible retaliatory measures. One of the first steps anticipated is the establishment in each European capital of an office to furnish information on the tariffs of European nations and to disseminate propaganda for a European trade agreement. These efforts, it seemed, were inspired by a common desire to meet American pressure.

In the Balkans another cooperative movement is under way. The first economic conference, called at Bucharest upon French initiative, was attended by Yugoslavia, Rumania and Hungary. It was announced that the purpose of this conference was to consider an agricultural selling pool, including these three agricultural States, in order to meet American competition in European markets. Attention was given also to an ambitious memorandum, drawn up by Poland, advocating an international agrarian entente between nine Central European countries. This league, intended to be purely defensive, would include a permanent agrarian secretariat, established in Geneva, and representing the member States in the consideration of agricultural questions. A customs union was also suggested, while some authorities believed that the organization would limit itself to establishing a central agency for marketing agricultural products.

An economic conference of the Little

Entente opened at Sinaia on July 31. Out of this meeting it was hoped to obtain an agreement for a virtual customs union between Yugoslavia and Rumania, as well as an understanding with the Czechs for the exchange of their agricultural produce against manufactured goods. It was even hoped that this economic organization of the Little Entente might be the first step toward the Central European agrarian entente proposed by Poland.

On Aug. 7 it was announced from Belgrade that an agricultural agreement had been reached between Yugoslavia and Rumania. Customs barriers are to be reduced to a minimum and exports are to be apportioned so as to dispose of excess crops in the most efficient manner. On the assumption that Poland, Hungary and Czechoslovakia will soon enter the agreement, central offices with staffs of experts are to be established at Belgrade, Bucharest, Budapest, Prague and Warsaw.

After two months of almost continuous negotiations a European synthetic nitrate cartel was brought into existence at Paris on Aug. 2. The chief members are Great Britain, France, Germany, Belgium, Italy, Sweden, Poland and Czechoslovakia. It is hoped that the cartel will make possible price stabilization and a reduction of the present excessive production. This bringing together of the highly competitive nitrate industries of many countries is regarded as one of the outstanding feats of industrial stabilization since the World War.

In addition to the collective movements just discussed, individual governments have also resorted to retaliatory measures. Italy, for example, has hit American automobile exports by drastic changes in duties on imported cars. A decree published in Rome and dated June 27 raised the duties on imported motor vehicles as much as 100 to 167 per cent. The vast majority of such imports come from the United States. It was generally believed that these new rates were inspired by the Smoot-Hawley bill, although Secretary

of Commerce Lamont took a contrary view. "The increase in Italian tariffs on these products," he said, "is a part of the established protective tariff policy to conserve their own large automobile manufacturing industry and to relieve the present unemployment. This policy has been in operation for some years, and under its pressure American exports of automobiles and trucks to Italy had decreased in value from \$4,300,000 in 1924, to \$1,270,000 in 1929."

THE WORLD BANK'S CONTINUED GROWTH

The Bank for International Settlements continued its progress during the last month. It had been hoped by its founders that the bank would play a constructive part in international finance and not confine its activities to reparations. This expectation has already been fulfilled. On July 14 papers were signed at Basle making the bank the trustee for the Austrian Government's loan of \$100,000,000, \$25,000,000 of which was offered for subscription in New York. This loan has no connection with the reconstruction loan, of which the League of Nations is trustee, although it is secured by the same revenues. By Aug. 1 this loan

had been successfully subscribed. Concerning this loan *The New York Times* reported on July 15 that "World bank circles are highly pleased with this proof of how the purely business side of the institution is developing, and they believe the Austrian trusteeship, far from remaining isolated or exceptional, will be a precedent which other governments will follow when they wish to float international loans."

At the June meeting ten additional European countries were invited to subscribe to portions of the bank's capital. These States have taken 40,000 shares, each paying one-fourth of the subscription as required.

A statement issued by the bank on July 31 showed an increase in business for the month of \$126,000,000. This new business is almost entirely due to deposits of the various central banks which now represent 66 per cent of the bank's liabilities as compared with 24 per cent in June. Reparations accounts, however, which represented 65 per cent of the bank's liabilities in June, have fallen to 24 per cent.

The growth of the bank's business during its two first months of existence has obliged it to rent fifteen additional rooms in a building adjoining the institution's offices.

League Conference on Aviation

THE OUTSTANDING event at Geneva during the last month has been the meeting of the committee on civil aviation under the communication and transit organization of the League. The agenda of this first meeting was necessarily general in character, although carefully prepared for by an extensive study issued by the League entitled "Economic, Administrative and Legal Situation of International Air Navigation." Also the opinions of eminent aviators were available for the committee; Colonel Lindbergh wired in part as follows:

"Aviation does not concern one nation alone. Its ultimate value lies in bringing the various countries of the earth into closer contact." The main work of the committee lay in drawing up a definite program of study in which some of the more important questions are unification of international law on air navigation, coordination between organizations dealing with air navigation, cooperation between governments on aerial matters, establishment of regular air lines, simplification of customs procedure and development of air mail. This last question is perhaps of

greatest immediate interest because the committee hopes study and co-operation can put international aerial postal service on a paying basis, and this in turn can lead to further development of other commercial activities. The United States was represented at this meeting by J. W. Riddleberger, American Vice Consul at Geneva, who acted as an observer.

INTELLECTUAL COOPERATION

The Committee on Intellectual Cooperation and its subcommittees were in almost continuous session during July. The first subcommittee to meet was that of experts for the instruction of young people in the aims of the League. It received a delegation from the Federation of League of Nations Societies giving the experience of the societies in teaching the League in the principal countries of the world.

The Subcommittee on Intellectual Rights is studying the matter of better international protection of copyrights and rights of scientists to commercial exploitation of discoveries. The Subcommittee on University Relations met on July 10, with Hugh A. Smith, director of the American University Union in Paris, as its American member. The Subcommittee on Bibliography, on the suggestion of Professor Tanakadate of Japan, recommended to countries not using the Latin alphabet that they adopt Latin characters for their written language. The Subcommittee on Arts and Letters called for a conference of authors and publishers to study and encourage translations of literary works.

The work of the subcommittees was reported to the main committee meeting at Geneva and attended by such important scholars and scientists as Sir Gilbert Murray, chairman, Madame Curie, Einstein, Painlevé and Vernon Kellogg of the National Research Council of the United States. The main work of the committee was to consider the reorganization of the whole work of intellectual cooperation as suggested by a committee of inquiry

that has been studying the matter for some months. The emphasis of the work will be modified to allow for League service in helping countries with educational problems, just as the health organization now does in problems of health.

THE WORLD COURT

A complete new panel of judges for the Permanent Court of International Justice is to be elected at the Assembly in September. The nominations include several Americans. The American group, which has the right to nominate, even although we have not yet ratified the court protocols, consists of Newton Baker, Roland Boyden, John Bassett Moore and Elihu Root.

Thirteen countries have now ratified the court protocol of American adherence, fourteen the protocol of revision of the Court Statute, and twenty-nine the optional clause agreeing to submit legal disputes to the Court. The latest of these is the Irish Free State.

The Court has four important cases before it, the Greco-Bulgarian dispute on "Communities," the question as to whether or not the free city of Danzig may become a member of the International Labor Organization, a dispute between Turkey and Italy as to ownership of islets in the Dodecanese group, and the problem of the free zones on the Franco-Swiss border.

The first of these cases has already been argued before the Court. The problem arose out of the plan of relieving minority tensions on the Bulgarian-Greece frontier by arranging for easy migration of persons with their belongings from one country to the other. This sometimes caused the breaking up of a whole community, forcing the sale of real estate and other fixtures and necessitating the division of the proceeds in very complicated ways. The treaty also stipulated that such compensation should be retroactive for persons who had migrated before the date of the treaty. The two countries cannot agree on the

definition of a "community," just when it should be dissolved, what constitutes movable property to be transported, and how the proceeds of sales shall be divided. Greece seeks to make the treaty retroactive to 1906, thus indirectly claiming reparations for damage sustained by Greek refugees who fled from Bulgaria at that time. Bulgaria holds that "retroactive" means only a few days, or months at most. The court will advise as to the correct interpretation.

Of the other cases one is of direct interest to this hemisphere because Brazil has kept her membership in the International Labor Organization, although withdrawing from the League, and the Danzig decision will clarify the correctness of her position.

THE REORGANIZATION OF THE SECRETARIAT

A committee of thirteen men has made a report on the organization of the Secretariat that will cause much discussion at the next Assembly. The committee recommends the formation of a Cabinet to advise the Secretary General. If the report is adopted, the work of the League will be more accurately divided than heretofore into fourteen departments, and the Cabinet will be formed by the men in charge of these sections. Eight of them will have the title of Under-Secretary General, six will be directors, and there will be a Deputy Secretary General. The sections recommended are: (1) Internal Administration, (2) Intellectual Cooperation and Internal Bureaux, (3) Political Section, (4) Legal Section, (5) Disarmament Section, (6) Economic Section, (7) Financial Section, (8) Health Section, (9) Information Section, (10) Mandates Section, (11) Administrative Commissions and Minorities Questions, (12) Traffic in Opium and Other Dangerous Drugs, (13) Social Questions, (14) Communications and Transit.

It is contemplated that all the new Under-Secretaries General shall be

chosen from countries which are not permanent members of the Council, and it will be emphasized that every post in the Secretariat, including that of Secretary General, is open to lower officials by promotion. Sir Eric Drummond expects to nominate only two other Under-Secretaries General at once, the present legal adviser, Señor Buero of Uruguay, and the present director of the health section, Dr. Rajchman of Poland.

A minority report has also been submitted differing in some details from that above, but the committee is unanimous in desiring the Cabinet idea worked out, in recommending a pension system and long tenure of office for League officials, and in stressing the necessity of loyalty to the League on the part of members of the Secretariat such that they will act with the interest of the League exclusively in view.

THE LEAGUE BUDGET

The Secretary General has issued his annual report, an interesting analysis of the year's work, including the League budget for 1931. The amount is just under \$6,000,000, of which \$400,000 is the year's expenses for the new buildings, \$500,000 for the World Court, \$1,700,000 for the International Labor Organization and \$3,400,000 for the League itself. It costs about \$200,000 to hold the meetings of the Assembly and Council; \$200,000 goes toward disarmament; world health claims \$260,000, exclusive of the Rockefeller gifts; economic problems, \$300,000; social questions, including opium, \$100,000; library, printing and information, \$400,000. If the general "overhead" of administration, rent and so forth were allocated to these individual services, the amounts would be a little more than doubled in each case. If the United States were a member of the League and paid her share also of court and international labor organization expense, she would pay about \$550,000. Our government actually made a contribution in 1929 of about

\$2,400 for conferences in which we took part.

Hamilton Fish Armstrong, on behalf of the Woodrow Wilson Foundation, presented \$25,000 to the League "to commemorate the tenth anniversary of the foundation of the League, to prove again with what intense interest and hope Americans watch its work for peace, and to add one more link to the chain which forever connects the name of Woodrow Wilson with the League of Nations." The gift is to be used for bronze entrance doors to the new buildings. The Rockefeller Foundation has donated \$90,000 for a three years' study of double taxation. This brings the total of private American gifts to the League in the last ten years to nearly \$5,000,000.

Sir Arthur Salter, director of the financial and economic section of the League of Nations Secretariat, will leave Geneva at the end of the year. He has had great influence in the reconstruction of countries faced with financial

collapse and was instrumental in calling the world economic conference in 1927. Dame Rachael Crowdy has resigned as chief of the social and humanitarian section. Thus the Secretariat loses two distinguished personalities who have been on the staff since the beginning.

During the Summer of this year the Zimmern School of International Studies has given elementary and advanced courses, the Students' International Union has helped young people to study the League, while members of the Secretariat and other experts have lectured at the Geneva Institute of International Relations. The Federation of League of Nations Societies is preparing for its courses in September. The League of Nations Association of the United States has been busy through its American Committee in helping the 10,000 American tourists to visit the League. It has organized a research-information committee at Geneva that is making League studies and resumés available in this country.

American Ratification of the Naval Treaty

THE LONDON NAVAL TREATY after many weeks of discussion in the United States Senate was finally ratified in special session on July 21. The next day President Hoover signed the treaty in the historic East Room of the White House. In commenting on the ratification of the treaty, the President said:

"The treaty will translate an emotion deep in the hearts of millions of men and women into a political fact of government and international relations. It will renew again the faith of the world in the moral forces of good-will and patient negotiation as against the

blind forces of suspicion and competitive armament."

The Senate, summoned in special session on July 7 for the purpose of considering ratification (see August CURRENT HISTORY) devoted exactly a fortnight to this purpose. After a week of dilatory tactics in which the opposition to the treaty attempted to befog the issue by carrying on a parallel discussion hinging on the examination by the Senate of confidential data held by the State Department, the administration forces organized to push through ratification. Senator Reed, a member of the American delegation at the Lon-

don conference and one of the leaders for ratification, said in one of the final speeches of the pro-treaty men: "For the first time in all history, all categories of ships have been limited. Competition is not, as at Washington, transferred from one category to another. There is no place for it to go in naval armament. I believe that the ratification of this treaty will make for peace and happiness of all three peoples and that it will not in any way jeopardize the real safety of any one of the three countries concerned."

The opposition, which was led by Senators Johnson, Moses, McKellar, Norris and Hale, offered a series of reservations to the treaty, all but one of which eventually were defeated. Senator Johnson was the author of four reservations which in summary were as follows:

1. The treaty shall be null and void if the United States enters the League of Nations or the World Court.
2. If the "escalator" clause is put into effect the United States, or any other nation, can build what class of ships it desires.
3. Cancellation of Article 18 so as to permit the United States to build eighteen cruisers instead of sixteen by 1936.
4. The cruiser category shall not be divided, thereby permitting the United States to build all of its cruisers with 8-inch guns.

Senator McKellar offered five reservations:

1. Providing for absolute freedom of the seas.
2. Demanding that Great Britain abandon its naval bases near the United States.
3. Providing that the treaty shall be void if the Kellogg pact is violated.
4. In case of war the United States and Great Britain shall each be allowed to arm thirty merchant ships and Japan, France and Italy twenty such ships.
5. Providing that any signatory violating the treaty shall pay \$1,000,000,000 to the other signers.

Among the other reservations offered was one by Senator Norris providing that there should be no secret commitments modifying the treaty.

With a definite majority clearly for ratification, the administration men threatened closure and a continuous

session to force a vote. The obvious unpopularity of the closure made the threat of a continuous session more real, and this, together with the pressure of fatigue and the intolerable heat of the Washington Summer brought about a final vote on July 21. All reservations except the innocuous one sponsored by Senator Norris were defeated. In the voting on the treaty 58 Senators (40 Republicans and 18 Democrats) were in favor and 9 (7 Republicans and 2 Democrats) were against. As President Hoover said, "this great accomplishment has received the united support of both political parties."

To a great extent the press of the United States, which since the convening of the London conference had supported the cause of naval limitation, applauded the Senate ratification and heaved a sigh of relief that the issue was settled and that the Senate had gone into recess. The European press had expected American ratification of the treaty from the beginning, although the newspapers in some countries were a bit cynical as to the actual results of the treaty. *Le Temps* of Paris, for example, said in part: "The Americans have in reality obtained complete satisfaction for their *amour propre* and all guarantees which they judged necessary for their security without themselves having contracted any obligations of any sort to guarantee the better security of others."

Although the London naval treaty still awaits ratification by Japan, the General Board of the United States Navy has begun a revision of its naval policy to meet the terms of the treaty. Consideration has been given to the question of the advisability of building additional large submarines of the V type, of the size of new airplane carriers and of the type of cruiser to be built for the 6-inch gun tonnage. Both as a measure of economy and to meet the terms of the London pact, three battleships have been slated for retirement and several destroyers and submarines threatened with inactive status.

COMMUNIST INVESTIGATIONS

Communism in the United States has been the subject of investigation by a Congressional committee under the chairmanship of Representative Hamilton Fish Jr. Inquiries begun in New York on July 15 included examination of Red propaganda in the schools, the now famous Whalen documents and the Amtorg Trading Corporation. A feature of the investigation of the Amtorg was the quizzing of its head, Peter A. Bogdanov. The evidence given was highly conflicting, but in the case of the Amtorg, produced an important repercussion. Early in July Seymour Lowman, Assistant Secretary of the Treasury, acting on information that Russian lumber produced by convict labor was being imported into this country in violation of the tariff law, forbade ships to unload such cargoes. Later this order was rescinded. On July 27, after various business groups in this country had demanded embargoes on Soviet products, maintaining that they were produced by convict labor, the Treasury Department laid an embargo on pulpwood, barring the unloading of several ships which had already docked in the United States. The Amtorg protested against the embargo, as did many American business interests who saw a threat to the future of \$100,000,000 trade between the United States and Soviet Russia. President Hoover, however, disclaimed any intention to bar any goods except those produced by convict labor, and on Aug. 1, when hearings held by the Treasury Department failed to prove conclusively that the banned pulpwood was produced by convict labor, the embargo was lifted.

FARM BOARD'S DIFFICULTIES

The Federal Farm Board (see articles on pages 1130-1137 of this magazine) has been harassed by a bumper wheat crop which has driven the price of wheat to pre-war levels and an extended drought throughout the West which has greatly damaged the corn crop and menaced live stock. The board

has been advocating a decrease of wheat acreage in an effort to stabilize the price of that crop, and during the early part of July Chairman Legge spoke in various regions of the wheat-growing area, urging that a reduction of acreage is the only solution of the wheat problem. This advice aroused some hostility in the West, particularly in Kansas. At the same time Senator Capper of Kansas demanded that the Farm Board should buy 100,000,000 bushels of wheat to stabilize the price, a demand which Chairman Legge refused to consider. Senator Capper then appealed to President Hoover, but the President was reported as being opposed to instructing the Farm Board to accede to the Senator's demand. On July 16 it was announced that the Farm Board had ceased buying wheat and that it would not purchase more but would continue its fight to induce the farmer to plant less wheat, and if possible, to reduce the average production ultimately from about 800,000,000 to nearly 600,000,000 bushels. An appeal on Aug. 4 from the heads of farm organizations for government relief to the farmers as the result of crops damaged and ruined by the long and severe drought brought a reply from President Hoover that "no stone will be left unturned by the Federal Government in giving assistance." Because of the great shortage of corn as a result of the crop failure, farmers in the corn-growing regions have been obliged to feed wheat to their live stock, a circumstance which will help in reducing the enormous surplus of wheat. To further aid in the distribution of farm products in this period of stress the Interstate Commerce Commission has lowered freight rates on shipments of live stock and feed. After plans had been perfected at President Hoover's camp on the Rapidan, it was announced on Aug. 11 that a national drought commission would be formed to work with the American Red Cross and the credit facilities of the Federal Government for the relief of the parched areas of the United States.

CONGRESSIONAL AND STATE PRIMARIES

The Congressional elections of this year are still in the party primaries stage, but already the chief issues have appeared around which will surge the battle of the parties for control of the next Congress. Outstanding is the Hawley-Smoot tariff which, so far as the party leaders are concerned, will be the principal issue laid before the electorate. In different sections of the country other issues and local sentiments are already in evidence. In the East prohibition is certain to be among the questions which will receive consideration. In New Jersey both parties have nominated anti-prohibition candidates for the Senate; Massachusetts so far has made no stand, but is in the midst of a political turmoil which has divided both parties. In some sections of the West, notably Illinois, Michigan, Wisconsin, Montana and Nevada the prohibition question is acute. In the farm belt the low price of wheat and general hard times are presenting conditions which the Democrats will capitalize to a great extent. This, of course, will consist largely of attacks upon the work of the Federal Farm Board. Behind all regular issues will be the shadow of the general economic depression which historically has never failed to have its effect in elections and also the tradition that the party in power generally loses in the mid-term elections. The coming elections provide some sentimental interest in the disappearance from the candidates for the first time since 1865 of the veterans of the Civil War; no veterans, Union or Confederate, will run this year and when Charles M. Stedman of North Carolina retires at the end of this year, the last Civil War veteran will disappear from Congress.

In the State primaries which have already been held, interest has centred more in the selection of the candidates for Governor than for Congress. The returns from the Kansas primaries on Aug. 5 showed that Governor Reed had been defeated for renomination on the Republican ticket by Frank Haucke.

Governor Reed, who waged his campaign as a champion of the farmer, had clashed with Secretary of Agriculture Hyde and Chairman Legge of the Federal Farm Board in regard to their advocacy of wheat acreage reduction in Kansas. In the Texas primaries Miriam A. (Ma) Ferguson, former Governor, led all other candidates for the Democratic Gubernatorial nomination in her fight for a "come-back." As none of the candidates had a majority of the votes a run-off primary election will be held between Mrs. Ferguson and her nearest rival, Ross S. Sterling, Houston publisher. The Nebraska Senatorial primaries were confused at first by the filing of nomination papers for the Senate by George W. Norris, grocer of Broken Bow, in opposition to Senator George W. Norris. The Supreme Court later ruled that Grocer Norris's name should be omitted on the Republican primary ballot.

After months of controversy over the retention by Claudius H. Huston of the chairmanship of the Republican National Committee, it was announced on July 24, that he would resign on Aug. 7. Mr. Huston had long been under fire as a result of alleged activities in lobbying in behalf of legislation affecting the government power and nitrate plant at Muscle Shoals and also for his manner in handling funds of the Tennessee River Improvement Association of which he was president. Senator Simeon D. Fess of Ohio was selected by Republican leaders to succeed Mr. Huston. Senator Moses of New Hampshire is to continue as chairman of the Republican Senatorial Campaign Committee, but will give his attentions largely to the East, while Senator Steiwer of Oregon, vice chairman, will attend to the campaign in the West.

Toward the close of the special session of the Senate President Hoover sent to the Senate a list of nominations which included William M. Jardine, former Secretary of Agriculture, as minister to Egypt; Brig. Gen. Frank T. Hines, director of the Veterans'

Bureau, to be Administrator of Veterans' Affairs, and Nicholas Roosevelt as Vice Governor of the Philippines. Action on Mr. Roosevelt's appointment was postponed until December because of objections raised by members of the Philippine Legislature. As a result President Hoover gave Mr. Roosevelt a recess appointment. On Aug. 5 it was announced that President Hoover had selected Major Gen. Douglas MacArthur to be Chief of Staff with the rank of General, succeeding General Charles P. Summerall.

On Aug. 10 Charles J. Rhoads, head of the Bureau of Indian Affairs, made public his report on a new policy toward the American Indian. The entire policy is to be guided by the aim of making the Indian a self-sustaining, self-respecting American citizen. In the words of his report: "The Indian shall no longer be viewed as a ward of the nation, but shall be considered a potential citizen." (See article on pages 1138-1143 of this issue.)

At a conference in New York on July 18 between operators and miners in the anthracite industry an agreement on wages was reached which will run for five and a half years. Its principal features are a recognition of the check-off system of payment of union dues and a modified form of arbitration for the consideration of wage scales and other questions. This agreement, which will affect 150,000 hard-coal operators, was formally ratified in a great celebration at Scranton, Pa., on Aug. 8. It is hoped that the settlement will revive business in the hard-coal field and bring about a general stimulation of trade in the region.

Three investigations have been set on foot by President Hoover during the past month. As a result of conditions unearthed in New York an exhaustive investigation into bankruptcy law and practice has been ordered under the direction of the Solicitor General with the assistance of the Department of Commerce. It is hoped that the inquiry will be completed by next Winter, so that recommendations for remedial legislation may be submitted

to the next session of Congress. A special committee has been appointed to advise the government in revising its statistical methods for the determination of unemployment and to establish a method of cooperation between government departments and business. Another investigation is in the hands of a new body called the White House Conference on Home Building and Home Ownership, which will seek a better understanding of all the problems involved in home building and ownership.

The Supreme Court has handed down an important decision in the case of New Orleans Railway Company vs. Brotherhood of Railway and Steamship Clerks which was a definite victory for labor. By the Watson-Parker act of 1926 it is provided that railroad managers shall treat with employees' representatives selected by the workers. The Texas & Pacific road ignored this in 1927 and attacked the workers' union. The clerks retaliated by securing an injunction against the road and when this was ignored went to court. The lower courts decided for the brotherhood, but the railroad appealed and eventually the case found its way to the Supreme Court. The decision of the Supreme Court approved the right of collective bargaining and the use of the injunction by employees to protect their freedom to organize from interference by the railroad. Another court decision of note was that by the United States Circuit Court of Appeals which granted citizenship to the Rev. Dr. Douglas Clyde MacIntosh and Miss Marie Averil Bland, both of whom had been denied citizenship previously by courts of Connecticut and New York because of their refusal to bear arms in case of war. The presiding judge held that the cases were not parallel with the Rosika Schwimmer case and that scruples against war when founded on religious beliefs were justifiable.

Preliminary census figures announced on Aug. 5 gave the United States a population of 122,728,837, an increase of 17,018,253 in the last decade. New York maintained first place

as the most populous State but California showed the highest rate of growth. Only one State, Montana, showed a decrease in population, although Vermont barely held its own with an increase of only 1 per cent. As a result of the new census a reapportionment of representatives to the national House and a rearrangement of Congressional districts must be carried out. According to present estimates twenty States will gain members and ten will lose.

The economic depression continues and is still felt in many lines of activity. The total foreign trade of the United States in the first half of 1930 fell off greatly as compared with 1929; exports for the first six months of 1930

were valued at \$2,079,841,000 as compared with \$2,623,088,000 in the same period last year, while imports were \$1,735,642,000 as contrasted with \$2,286,375,000. According to the United States Bureau of Labor Statistics the cost of living in the United States decreased an average of 2.8 per cent during the six months, from December, 1929, to June, 1930. During June wholesale prices fell again and were indexed at 86.8 as compared to 96.4 in June, 1929. Unemployment figures are uncertain and conflicting, but a statement from the Census Bureau, the second week of July, indicated that about 2 per cent of the total population, or roughly 2,400,000, are unemployed.—
E. F. B.

The Mexican Debt Settlement

By CHARLES W. HACKETT

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CURRENT HISTORY ASSOCIATE

AN AGREEMENT for the refunding of the Mexican foreign debt and the debt of the Mexican National Railways was made public in New York on July 25 in a joint statement issued by Mexican Finance Minister Montes de Oca and Thomas W. Lamont, chairman of the International Committee of Bankers on Mexico. It is subject to the approval of the Mexican Congress and the interested bondholders and supersedes the Pani-Lamont Mexican debt refunding agreement of Oct. 23, 1925, which, in turn, superseded the Lamont-De la Huerta agreement of June 16, 1922. The new agreement, following the precedent of recent European debt agreements, is based on the principle of capacity to pay.

The principal amount of the direct debt of the Mexican debt is fixed at \$267,000,000, representing a reduction of \$7,000,000 and that of the railways debt at \$225,000,000, a reduction of \$14,000,000. Substantial reduction is to

be made in the amounts due on arrears of interest. The term of payment for both debts is extended to forty-five years, provision has been made for the future issuance of new bonds in connection with both debts. In the case of the direct debt the standard payments, to cover both sinking fund and interest charges on the new refunding 5 per cent bonds, to be issued in exchange for the outstanding securities, will amount to \$15,000,000, beginning in 1936. In the interim the payments will be smaller, the first, that for 1931, being \$12,500,000. The direct debt is guaranteed with a lien upon customs revenues. As to the railway debt, the renunciation by the bondholders of part of the interest payable during the next five years will provide \$25,000,000 to be used for extensions and improvements. The existing debt is to be consolidated in a new issue, bearing 5 per cent, with regular amortization payments to begin in 1936. Security is provided by a direct mortgage on the



MAP OF MEXICO AND CENTRAL AMERICA

properties. However, the statement is made that "the status of the National Railways Company may at present be considered one of insolvency," normal bankruptcy proceedings being deferred "in order to permit the creditors to take over its management or adopt other measures expedient for their interests."

CONGRESSIONAL ELECTIONS IN MEXICO

The Congressional elections held on July 6 resulted in a sweeping victory for the National Revolutionary party, thus assuring the control of the next Congress, when it meets in September, by the party that elected Ortiz Rubio President last February. Public interest in the election was slight. The clashes that resulted in the death of two and the wounding of fourteen persons were reported to have been due to the rivalries of interested groups rather than to the general voting public.

The reinstatement and the recognition by the Federal Government of Governor Almada of Chihuahua late in

June, following the *coup d'état* which had sent him flying to the American border, were of short duration. After the official inquiry into the coup, Governor Almada was replaced by Provisional Governor Escobar on July 15. In special elections held five days later, Andrés Ortiz, candidate of the National Revolutionary party, is reported to have been elected over Manuel Prieto, Socialist candidate. In view of the conflicting claims of the two candidates for Governor the Chihuahua Legislature was ordered to meet in extraordinary session on Aug. 4 to pass upon the election.

The special election in Juárez was attended with rioting between members of the opposing parties which resulted in the death of one and the wounding of six persons and the establishment of martial law. Eleven days later (July 31), as the result of political differences which arose during the gubernatorial campaign, the Mayor, the city secretary and three members of the Juárez city council were arrested and the city placed under martial law. The following day new municipal authori-

ties were installed and civilian government re-established.

Injunctions against a recent decree of President Ortiz Rubio levying an annual contribution of seven days' pay from government employes for the benefit of the National Revolutionary party, were filed in five separate courts of the Federal District on July 2.

The Mexico City cathedral, from which priests withdrew in July, 1926, at the time of the crisis in the relations between the church and the State in Mexico, and which officially has been in the custody of the government since Nov. 30, 1927, was restored technically to the control of the Catholic Church by a Presidential decree of June 28. The formal transfer of the building has been deferred pending the settlement of minor details.

The straightening of the course of the Rio Grande River from El Paso, Texas, to Quitman Canyon, a distance of 160 miles, so as to eliminate the problem of the shifting boundary line between the United States and Mexico, caused by the frequent changes in the course of the river, was recommended on July 17 in a tentative draft of the joint report of Mexican and American engineers appointed by the two governments to study the problem. The engineers state that "enforcement of the national laws of each country would be facilitated by the shortened and controlled channel, with roadways on the levee embankments permitting greater accessibility and constant inspection. Additional velocities are created to transport accumulations of sediment, preventing future channel changes and detachment of areas from one country to the other. Drainage and irrigation of additional land in both countries are permitted, and the annual flood menace to public and private improvements is eliminated." The report estimates that in the construction of the channel and its embankments 13,700,000 cubic yards of earth must be excavated, and that the total cost of the project, including a retention dam, will be between \$6,000,000 and \$7,000,000.

A total of 2,781 claims on behalf of

Americans, in which \$516,649,269 are claimed, and a total of 836 claims on behalf of Mexicans, in which \$245,158,395 are claimed, had been filed with the United States-Mexican General Claims Commission up to July 11. With the exception of the claims of Americans against Mexico originating in the armed period of the Mexican revolution (1910-1920), which are being adjudicated by a special claim commission, the General Claims Commission is charged with adjudicating all claims of the nationals of either country against the other that have arisen since the General Claims Convention of July 4, 1868.

The opinions of Mexican exporters regarding the effect upon Mexico of the recent tariff legislation of the United States are being solicited by the Mexican Ministry of Industry, Commerce and Labor. It is unofficially estimated that the revised United States tariff will leave Mexico annually with 60,000,000 pesos worth of agricultural produce on her hands which formerly entered the United States, thereby contributing to a threatened economic crisis, which, it is expected, will also be aggravated by the prospective forced return of 300,000 Mexicans from the United States.

A survey of United States-Mexican relations since Mexican independence, and an exposition of the obstacles to more cordial relations between the two countries at the present time, were made by Justice Salvador Urbina of the Mexican Supreme Court in an address on July 26 to the members of the Fifth Seminar in Mexico, a group of scholars and publicists from the United States. Inability of the people of each country to speak the language of the other; racial prejudice; mutual distrust and the general belief among Americans of the lack of ability for self-government of Latin-Americans, and the Monroe Doctrine were listed as some of the present obstacles to better relations, whereas a few years ago the chief obstacles were the steps being taken by Mexico to enact its present agrarian, petroleum and alien land legisla-

tion. With reference to the Monroe Doctrine, Justice Urbina said: "For Mexico that doctrine does not exist. Mexico will forever refuse recognition of it, nor will she even discuss it. To publicists of Latin America it is and always has been an infantile theory to cloak a tutelage on the part of the United States over Latin America. * * * If the Monroe Doctrine continues to prove a source of difficulty, let it be abandoned in good time, for it is not in agreement with the rights of peoples. It is an anachronism."

BOUNDARY DISPUTE BETWEEN GUATEMALA AND HONDURAS

The submission to arbitration of an old boundary dispute between Guatemala and Honduras is provided for in a treaty signed in Washington on July 17. For the past six months representatives of these two republics have been negotiating through the good offices of the Department of State, and the success of their efforts was characterized by Secretary of State Stimson as a "distinct achievement in the interest of peace in Central America." Chief Justice Hughes of the United States Supreme Court has accepted the chairmanship of the arbitral tribunal, which will also include two members from both Guatemala and Honduras. The territory in dispute lies in a rich banana-growing region on the Atlantic side in South-eastern Guatemala and Northeastern Honduras.

COSTA RICA AND THE LEAGUE OF NATIONS

The time and condition of the re-entry of Costa Rica into the League of Nations, from which withdrawal was made in 1924, was left to the discretion of President González by the Costa Rican Congress on July 8. At the same time, Congress, by a vote of 29 to 11, appropriated \$20,000 which may be used in case the President decides upon re-entry into the League.

NICARAGUAN ELECTIONS

The state of siege in five northern

departments of Nicaragua, proclaimed some months ago in order to facilitate the government's campaign against banditry, was raised by an official decree on July 9. This action was taken on restoration of relative stability in the northern provinces in order to permit entire freedom in voting in the forthcoming Congressional elections. The elections, which are to be held in October will be supervised, at the request of the Nicaraguan Government, by Captain Alfred W. Johnson of the United States Navy, acting as president of the national electoral board, which will be vested with the broad powers exercised two years ago by that board under the presidency of General Frank McCoy.

In the interests of economy, President Moncada of Nicaragua on July 9 recommended a reduction in the salaries of all government officials, including that of the Chief Executive.

A new parcels post convention between the United States and Cuba, which brought to an end a long controversy over tobacco shipments between the two countries, was signed in Washington on July 24 by Postmaster General Brown and José A. Montalvo, Cuban Director of Posts. Under the new convention Cuba may export cigars and other manufactured tobacco to the United States without limit of number that can be contained in a single package, the maximum weight for parcel post packages between the two countries being fixed at twenty-two instead of eleven pounds, as formerly was the case.

A denial that Cuba, one of the countries most seriously affected by the new United States tariff, was planning reprisals, was made by President Gerardo Machado in an interview on July 22.

A commission appointed in February by President Hoover to study educational conditions in Haiti returned to the United States on July 14. Ten days later Dr. Moton made an informal preliminary report to President Hoover.

Colombia's New President

By HENRY GRATTAN DOYLE

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THE ASSUMPTION of the Presidency of Colombia on Aug. 7 by Dr. Enrique Olaya Herrera marked the culmination of a long career of devoted service to his country. Its national and international significance transcends the bounds of the personal and partisan points of view and makes the new President's inauguration an event of outstanding importance, not only for Colombia but for all the American republics. A member of the minority party, chosen by due electoral process, he receives the reins of power without political disturbance from the hands of his predecessor, a representative of the party which has been uninterruptedly in power for forty-five years, and with the promise that the Opposition will cooperate with the new administration in solving the problems which it must face.

Such a victory for the constitutional ideal is a source of encouragement to all believers in democracy. In the words of *El Tiempo*, Liberal daily of Bogota: "The Conservative party was defeated in the balloting, and one can understand that it should feel no complacency in that; but it triumphed in the supervision of the elections, which were correctly reported, and it has a better right than we Liberals to feel proud, because it has compensated for a political defeat by a moral victory. Every Colombian voter, Liberal or Conservative, is able to appreciate the significance to our patriotism and our republican pride of the news that the electoral process of February was carried out normally in all its stages up to the final scrutiny by the national electoral college, without any of the political groups that were participants in the election having formulated a single complaint, just or unjust, against electoral or executive authorities on the ground that rights

were violated or duties unfulfilled."

La Tarde says: "The recognition of the victory of February by the Conservative majority marks an advance of fifty years in the political life of the country. It is an expression of a theory which regulates the political life of all civilized peoples: the peaceful rotation of political parties in power." Referring to Dr. Olaya's program, the same journal declares that it "represents the beginning of a period of tranquillity urgently needed by the country in order to undertake the work of fiscal and economic reconstruction and to lay the foundations of administrative reform." The new President, it declares, is going to govern by using the "capacities" of the country, brushing aside considerations of victors and vanquished.

The same note is sounded in the Independence Day message of the retiring President, Dr. Miguel Abadia Méndez, who expressed regret that he had not been able to accomplish all that he had hoped for his fellow-countrymen and prayed that his successor might be endowed with greater capacities and energies and have better fortune in enabling the people to enjoy happiness and progress.

Of similar import is a manifesto, recently published in *El Tiempo*, signed by more than a hundred members of Congress (which is still controlled by the Conservatives), representing all parties and groups. The signatories, while not abandoning their respective party programs, pledge themselves to support administration measures designed to solve Colombia's financial and economic problems and to work in an atmosphere of national cordiality, free from political passions, at the same time expressing their confidence in the new President's intentions and program.



MAP OF SOUTH AMERICA

The great personal charm and unquestioned integrity of Dr. Olaya accounts for much of this commendable spirit; but it is also an indication of the profound interest of a highly intelligent Latin-American nation in the preservation of fundamental democratic and constitutional procedures.

Evidence that the new administration is to move at once for fiscal improvement was seen in the announcement that Professor Edmund W. Kemmerer had been engaged to head a financial mission to Colombia. The members of the mission arrived at Bogota on Aug. 4 to remain for four months, devoting study to the operations of the present fiscal and banking system recommended by the first Kemmerer mission in 1923 with a view to suggesting legislation affecting the customs and general financial and economic situation of the government. A number of foreign experts, including E. W. James of the Bureau of Roads of the United States Department of Agriculture, are now in Colombia continuing the investigations

of transportation, highway and port facilities begun last year.

In his inaugural address President Olaya spoke of the favorable geographical position of Colombia, with her coast-line on two great oceans, as a factor in neighborly cooperation, and pledged himself to a policy of friendly understanding and mutual cooperation with the United States, "the first nation that made itself an independent republic," with which the political and economic progress of the Western Hemisphere brings Colombia into closer contact every day. The major problems facing his country, he said, were the national finances, the depression in the petroleum industry, the coffee situation and highway development. In appointing his Cabinet, the new President included three members who are definitely conservative, though belonging to the moderate group.

An interesting phase of Dr. Olaya's program was his announced intention to hold semi-weekly press conferences, on the model of those held at the White House. The new President is apparently convinced that he can thereby win popular support for his measures.

NEW REGIME IN BOLIVIA

The constitutional experiment inaugurated by military revolt in Bolivia has made further progress (see article on pages 1144-1149 of this issue). The military directorate constituting the *de facto* government of Bolivia on July 27 ordered the cancellation of the old voting lists and a new registration of voters, under supervision of the military, to begin on Sept. 1. It was announced that this military supervision was intended to prevent political manipulations of the listing. Under the plan, elections would be held in November, and the constitutional government chosen in the new elections would take office early next year.

The first break in the ranks of the military group came with the announcement on July 21 that Colonel José Ayoroa had been ousted as a member of the junta for failure to pro-

ceed to England, where he is reported to have been sent to investigate the Siles Government's contracts with Vickers, the British armaments concern. Colonel Ayoroa had sailed from Arica, Chile, but disembarked at Antofagasta, and was reported to have been plotting a revolution at Uyuni. According to earlier reports, Colonel Ayoroa had been sent on the foreign mission because his active participation in the government was offensive for political reasons to the students and military cadets who played so prominent a rôle in the successful revolution.

Recognition of this last aspect of the recent overturn is seen in the reported gift of 1,000,000 bolivianos (about \$389,000 at par) to the University by Simón Patiño, Bolivian Ambassador to Spain and reputedly the richest man in South America, as a reward for the contribution of the student body to the success of the revolution. The military cadets, whose aid was so important to the revolutionary cause, have also received recognition in the form of a great demonstration by representatives of the Indians of Bolivia, held at La Paz. A demonstration by workmen, the other large element in the revolutionary movement, announced for early August as a manifestation against future wars, was postponed after a conference with the police. Labor organizations have issued resolutions advocating reduction of rents, stabilization of prices of staples, an eight-hour law, separation of Church and State, and increased tariffs on imports.

The new government is apt to have a difficult task in attempting to remain on good terms with the heterogeneous elements now supporting it and the policy of encouraging the return of exiled political leaders may create another serious problem before long. Two ex-Presidents, General Ismael Montes and Bautista Saavedra, returned from exile early in August, and both received enthusiastic welcomes from the people. In each case the returned exiles pledged their cooperation in restoring the country. Dr. José Maria Escalier, organizer of the Republican party and opponent

of Saavedra when the latter was elected President, was also reported as returning from Buenos Aires. To harmonize these strongly individual points of view, representing such widely divergent groups, will call for leadership of a rare order.

The new government's wise policy in dealing with ex-President Siles and General Kundt is much to its credit. Dr. Siles reached Chilean territory soon after the success of the revolt and General Kundt was reported to have sailed from Mollendo, Peru, on Aug. 3 for Germany.

STUDENTS' POLITICAL ACTIVITY

Reference was made last month to the rôle of the university students in political disturbances south of the Rio Grande. It was apparently inevitable that the success of a movement in part initiated by students in Bolivia should suggest similar efforts in other countries. In fact, the Bolivian radical newspaper *El Liberal*, edited by university men, has been preaching a "crusade against tyrants throughout America," directing early articles at the situation in Peru. It has pointed out that the chief of the Bolivian junta, General Blanco Galindo, failed to send a congratulatory message to the Peruvian President on the occasion of the recent celebration of Peruvian independence on July 28. The University of San Marcos at Lima has been closed because of student disorders, and there are unconfirmed reports of student clashes with the police. In Chile two agitators have been reported exiled and a number of students expelled, while all of the departments of the university at Santiago except the schools of engineering, architecture, chemistry and pharmacy have been closed and student assemblies forbidden, the government threatening to take stern measures against agitators. It will be recalled that much of the agitation against the present régime in Venezuela has been carried on by students or former students; and the Government of Venezuela has recently published in a Spanish newspaper of New York a warning to Venezuelan na-

tionals not to participate in subversive activities.

Forts Boqueron and Vanguardia have been restored by Bolivia and Paraguay, thus formally ending the acute phase of the Chaco question.

Formal ratification took place on Aug. 5 by Peru and Chile of the new frontier, fixed in accordance with the treaty of Lima, which settled the Tacna-Arica dispute. A difficulty over part of the line in the vicinity of Laguna Negra was adjusted after conferences lasting several months, and markers have been set along the entire line dividing Tacna (Peru) and Arica (Chile).

A shadow was cast over the homecoming from a trip to Europe and the United States of President-elect Prestes of Brazil by the assassination on July 26 of Joao Pessoa, President of the State of Parahyba and Liberal candidate for national Vice President in the March elections in opposition to the ticket headed by Senhor Prestes. Senhor Pessoa, a nephew of Epitacio Pessoa, President of Brazil from 1918 to 1922 and at present a member of the Permanent Court at The Hague, was shot by Joaoa Duarte Dantas, a political opponent. Dantas is reported to have been an associate of José Pereira, who recently headed a rebellion in the State of Parahyba, holding the town of Princeza against the State Government.

Defeat of Canadian Liberals

By RALSTON HAYDEN

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IN A NATIONAL election which resulted in one of the most spectacular political turnovers in Canadian history the Conservative party on July 28 won a sweeping victory over the Liberal Government headed by Prime Minister W. L. Mackenzie King. Winning 137 seats out of 245, the Conservatives secured a comfortable working majority in the House of Commons and assured their return to office with the power and the responsibility that devolve upon a government controlling the Parliament in its own right.

Although the paramount issue in the election was unemployment, it was felt in Canada that its most significant results probably were the blow which the Conservatives struck at the Liberal monopoly of power in Quebec in the Prairie Provinces, and the victory of the party which demanded that any trade preferences granted to Great Britain should rest upon a strictly reciprocal basis and not be a free gift to the mother country.

Immediately after the results were

officially received in Ottawa steps were taken to turn the government of the Dominion over to a Cabinet formed by Richard B. Bennett, the Conservative leader. On Aug. 7 he announced the personnel of the new government, in which, in addition to the office of Prime Minister, he is President of the Privy Council, Secretary of State for External Affairs and Minister of Finance. It was expected that the new Parliament would be called early in September to deal primarily with the problem of unemployment.

With two seats doubtful, the election returns gave the Conservatives 137 seats, a gain of 57; the Liberals 86, a loss of 37; the United Farmers 11, a loss of 1; the Liberal-Progressives 3, a loss of 6; the Progressives 2, a loss of 5; the Labor party 3, neither loss nor gain, and Independents 2, neither loss nor gain. None of the eight Communist candidates polled a substantial vote, despite the hopes that had been raised within this party by the existence of serious unemployment in all of the urban centres of the Dominion.

These figures not only make it evident that the Conservative Government will not be at the mercy of one or more of the minor parties, but also suggest that, because they have lost the key position that they have held during the past few years, they will be in a much less favorable position to contest the next general election and thus permanently to maintain even their present strength.

A comparison of the returns by Provinces is also instructive as revealing the geographical distribution of party strength in the House of Commons before and after the elections. The figures are as follows:

PROVINCE.	— Cons.— *May30.Jy.28.	—Liberal— May30.Jy.28.	—Prog.— May20.Jy.28.	—Lib.—Prog.— May30.Jy.28.	—Un.—Farm.— May30.Jy.28.	—Labor— May30.Jy.28.	—Ind.— May30.Jy.28.
Quebec	4	25	60	37	..	..	1
Ontario	53	59	25	22	2	..	..
Nova Scotia.....	12	10	2	4	..	..	..
New Brunswick...	7	10	4	1	..	..	..
Prince Edw. Island	1	3	3	1	..	..	..
Manitoba	11	4	1	4	7	3	2
Saskatchewan	7	16	12	4	2	1	..
Alberta	1	4	3	3	..	..	1
British Columbia..	12	7	1	5	..	..	1
Yukon	1	1	..	..	..	..	1

*The strength of the several parties in the House of Commons is given as of May 30, 1930, the date of dissolution, and as indicated by the election of July 28.

If the election of twenty-five Conservatives from Quebec means that the seemingly impregnable bloc of sixty Liberal seats out of the sixty-five Provincial constituencies has been definitely broken, the effect upon the future of both parties will be extremely important. Faithful to the memory of Laurier, and resentful of World War conscription, the French Canadians have been consistently piling up such large Liberal majorities that this year the Conservative chief organizer claimed only twelve seats in his pre-election statement. That his party could elect twenty-five of its candidates was generally interpreted as indicating that the Province is, after all, basically protectionist and that the younger generation of voters can no longer be held under the Liberal banner by the magic of the ancient party shibboleths. If the spectacular Conservative gains in this election can be maintained it will be very difficult for the Liberals to win enough seats elsewhere to offset the

loss of their virtual monopoly of power in Quebec.

The interpretation of a national election upon the morrow of the polling is, of course, a hazardous undertaking. Upon two conclusions, however, all observers seem to be agreed—first, that the Liberal Government and party suffered at the polls from the economic depression into which Canada has fallen; second, that the Liberal defeat was in part due to the reaction which is almost certain to set in against any party that has been in power for almost a decade. Throughout the Dominion the Liberal campaigners were faced by large numbers of unemployed men and

their families. In the Prairie Provinces voters out of work heckled and scoffed at the Prime Minister himself in a manner hitherto unknown in Canadian politics. The Conservatives sought to place upon the Liberal Government the responsibility for unemployment. They promised to call a special session of Parliament to relieve the situation, while their opponents offered only schemes to be devised by a conference of "experts." It seems obvious that on the issue of unemployment Mr. Bennett had every advantage over Mr. King.

Indisputable also was the resentment of the farmers at the government's treaty with New Zealand, a trade agreement under which the latter dominion has been dumping large quantities of State-subsidized butter upon the Canadian market, with results disastrous to local producers. The arrival of a 5,000,000-pound shipment at Halifax on the eve of the election certainly won no votes for Liberal candidates. With less definite cause,

but apparently with no less fatal results, the government seems to have been blamed for the 200,000,000 bushels of last year's wheat still unsold in Canadian elevators; for the financial, commercial and industrial depressions which have accompanied the agricultural slump; and even for the bar against Canadian products erected by the recently enacted United States tariff.

In attempting to interpret the will of the Canadian people, as expressed in this election, regarding tariff policy, the observer is on less secure ground. The Liberals went to the people with the Dunning tariff, which, while imposing countervailing duties upon goods imported from foreign countries which, in turn, levied a tariff upon similar Canadian products, admitted the imports from Great Britain free of duty, or with a preferential rate. "Let Uncle Sam go his own way; our way is with John Bull," was a much used Liberal campaign slogan. The voters were urged to return the Liberals to power in order that this step toward imperial unity and development might be vigorously followed up at the coming imperial conference.

The Conservative position was that Canada's interests come first in Canada and imperial interests second, and that the interests of the empire would be best served in the long run by a recognition of this fact. Mr. Bennett, therefore, declared that his party would grant preference to empire goods only when compensating advantages were definitely given to Canadian goods by the several parts of the empire. The Canadian tariff he would frame without regard to what might be done in Washington and solely with an eye to the requirements of Canadian commerce, agriculture and industry.

While the Conservatives won the election, so many other important issues entered into the campaign that it can scarcely be maintained that there was an effective referendum upon the tariff. On the other hand, having made clear its position upon the subject, and

this position being in accord with their traditional tariff policy, the Conservatives certainly are in a position to carry out that policy as speedily and as completely as circumstances will permit, both by domestic legislation and at the forthcoming imperial conference. The conclusion, therefore, seems to be that if Great Britain desires a preferential position in the Canadian market she will have to establish a protective tariff of her own in order that corresponding preference in the British market may be granted to Canada and the other dominions.

This is precisely the policy that Lord Beaverbrook and Lord Rothermere have been trying to persuade the British Conservative party to adopt. Whatever else may be uncertain, the Canadian election has again emphasized a political fact that is of fundamental importance, although often overlooked, namely, that "empire free trade," imperial preference or any other trade arrangement between the several members of the British Commonwealth of Nations can be secured only with the co-operation of each and every dominion that may be included in it. In this matter Great Britain is no longer even first among equals, but rather stands upon a plane of exact equality with every other British commonwealth.

Mr. Bennett, the new Prime Minister of the Dominion, is a vigorous man of 60. Born in New Brunswick in the ninth Canadian generation of a British-Canadian family, he has "grown up with the country" in Calgary since 1897. Although active as a lawyer and business man, he has been in politics since 1898 and a member of the Canadian House of Commons since 1911. During the early years of the World War he served as Director General of National Service, and for a time was Attorney General and Minister of Justice in the Meighan Cabinet.

BRITAIN'S 2,000,000 UNEMPLOYED

A report issued on Aug. 6 showed that for the first time since January, 1922, the number of Great Britain's

registered unemployed had exceeded the 2,000,000 mark, setting the highest total recorded since June, 1921. The figures as of July 28 gave 1,257,982 persons as wholly unemployed, 659,685 temporarily unemployed and 93,800 normally in casual employment, making a total of 2,011,467.

From Jan. 20, 1930, when the total was 1,473,402, the increase of unemployment has only twice been checked. The fall in the figures in June was followed by the heavy increase of 110,000 in two weeks. The peak of unemployment since the World War was the 2,580,429 total recorded in June, 1921, which was affected by the coal mining dispute. When the miners returned to work there was a rapid improvement and by July 29 the total had dropped to 1,905,196. Fluctuations followed, and not until June, 1929, did the number of unemployed fall below 1,500,000. The improvement in the following years was fairly well maintained until April, 1926, when the total was below 1,000,000. Then came the general strike and the prolonged stoppage in the mining industry.

By May 10, 1926, the total was up to 1,575,899, leaving the unemployed miners out of account. More than a year passed before the disastrous effects of the industrial strife were overcome, but by May, 1927, the total was again down to 998,291. When the MacDonald Government took office at the beginning of June, 1929, the total stood at 1,100,125.

The increasing cost of the existing system of relief was brought home to the British public on July 19 when the government received authority to borrow an additional \$50,000,000 in order to keep the system going until next March. The relief fund is already in debt to the amount of \$216,650,000.

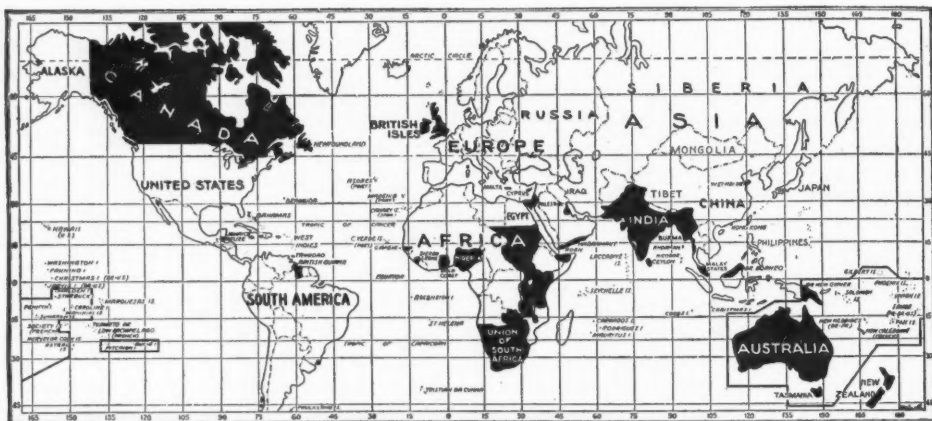
In contrast to the uninterrupted increase of unemployment in Britain may be set the statement of the Empire Industries Association saying that unemployment in May decreased slightly in Germany, was practically negligible in France, decreased one-sixth in Denmark and also decreased in Holland,

Sweden, Austria and Italy. [The subject of unemployment throughout the world is dealt with in an article on pages 1119-1124 of this magazine.]

BRITISH PARLIAMENTARY SITUATION

Completing a session of thirteen months, the longest since the World War, Great Britain's Parliament was prorogued on Aug. 1 with the medieval ceremonies which mark this event even in 1930 and under the rule of a Labor Government. Although the legislative achievements of the sessions were slight compared with the program announced in the King's speech when Parliament assembled, Mr. MacDonald's Government could, like the famous Frenchman, say at least that it had lived—and lived through one of the most trying periods of recent British history. Nor did it seem likely when Parliament rose that, barring unforeseen occurrences, the rule of Labor would be seriously challenged before the expiration of the two years which, from the start, have been considered as its probable minimum term of office.

The plain fact is that neither the Conservatives nor the Liberals really wish to overthrow the government at the present time. Both opposition parties are badly divided within themselves. The Liberals fear, and with reason, that unless they can secure the adoption of a system of proportional representation they will emerge from a general election even weaker numerically than they now are; and proportional representation is as far away today in Great Britain as it ever was. The Conservatives, in addition to being short of funds and rent by bitter internecine warfare, undoubtedly realize that neither they nor any other party can remedy the unemployment situation in the immediate future, and feel that they would be but laying up trouble for the future by transferring responsibility in this connection from Labor to themselves. Furthermore, if Ramsay MacDonald has failed to accomplish the impossible at home, his



MAP OF THE BRITISH EMPIRE

achievements in the field of foreign relations have been extensive and, on the whole, popular. The reparations settlement at The Hague, the withdrawal from the Rhine, the British signature to the optional clause of the World Court, the establishment of normal diplomatic relations with Soviet Russia and, most important, the naval treaty constitute a record upon which any government would be glad to go to the people.

During the closing weeks of the session most of the government bills that had not been temporarily set aside were passed through Parliament and at prorogation assented to by the King. They included the coal mines bill, the road traffic bill, housing bills for England and Scotland, the finance bill and the naval treaty bill. Two sensational incidents in the House of Commons attracted wide public notice during this period. One was the act of a Labor member who, as a protest against a ruling of the Speaker, seized the mace and attempted to rush with it from the House. In great and virtually universal indignation, the Commons suspended this member and otherwise vigorously expressed its disapprobation of the contempt which he had shown for the dignity and traditions of the body. Censure was also meted out to the offender by the Parliamentary Labor party, by a vote of 90 to 28, and it was intimated that he

would not again be allowed to stand for Parliament as a Labor candidate. The other incident occurred on July 29, when another member of the Labor party publicly declared that his fellow Labor members frequently were drunk in the House and accepted bribes. Upon his refusing to withdraw or to substantiate his accusations, this individual was, upon report of the committee on privileges and by an almost unanimous vote of the Commons, solemnly censured for "breach of privilege and a gross libel upon the House."

CONFERENCE OF COLONIAL GOVERNORS

Recommendations made by the Conference of Colonial Governors which was concluded on July 15 indicated that this meeting may play an important part in the future development of the British Empire, exclusive of India and the dominions. Probably the most important resolution adopted was that which urged the creation of a single colonial service from which all colonial administrators would be selected, and of which all would be members. This service would have a common entrance examination, uniform salary and pension scales, and would correspond to the Indian Civil Service and the Foreign Service. The conference also recommended film censorship for those colonies inhabited in large part by prim-

itive peoples, especially for tropical Africa. The report of a committee of the conference approving a scheme for linking the empire together through a radio broadcasting system was also approved.

INCREASE IN AUSTRALIAN TAXATION

The first budget of the present Labor Government of Australia was introduced into the House of Representatives on July 9 by Prime Minister Scullin, who is also filling the position of Commonwealth Treasurer. The government's proposals call for a serious increase in taxation. They include a primary customs duty of $2\frac{1}{2}$ per cent; increases in the existing duties on gasoline (6 cents per gallon), tobacco (12 cents per pound), cigarettes (24 cents per pound), films, newsprint and radio tubes; a sales tax of $2\frac{1}{2}$ per cent upon the sale prices of commodities sold in Australia except primary foodstuffs and specially exempted articles; an increase in postage rates from 3 to 4 cents, and income tax increases upon both individual and corporate incomes. In defending these drastic increases in taxation, the Prime Minister declared that they were made necessary by the deficit of the past financial year, by the decreases in revenue which had been caused by the existing economic depression, and, so far as the tariff increases were concerned, by Australia's need for more productive industries within her borders. He also declared that no one had suggested any practicable alternatives to his proposals, although his bill had been severely criticized in many quarters. Mr. Scullin also announced that Australia would have to secure abroad a long-term loan of \$150,000,000 in order to meet her immediate financial obligations to foreign creditors.

NEW ZEALAND TARIFF AGAINST AMERICA

An increased tariff against American goods, and greater preference for

British products were the outstanding features of new tariff legislation introduced by the New Zealand Government on July 22. The rates on cigarettes, cigars, automobiles and a long list of other articles were increased, while an added preference was given to 158 items out of 225 articles now subject to preferential treatment if originating within the empire. The government also announced an increase in the gasoline tax, and stated that the proceeds would be used upon the improvement of the roads.

A system of unemployment insurance will be provided in New Zealand by a bill introduced in the House of Assembly on July 17. Under the scheme proposed an annual levy of \$7.50 will be made upon all male workers in New Zealand of 21 years, or older, with certain specified exceptions. These contributions will provide half of the unemployment fund and the government will furnish the other half. The "dole," or sustenance allowance, contemplated is \$5.25 weekly to contributors for a period up to six months, with an additional \$4.36 for a wife and \$1 for each child.

DISCUSSION OF INDIA'S FUTURE

With the Government of India at Simla, the Summer capital, most of the outstanding Nationalist leaders in jail, and the country deluged with the monsoon rains, which flooded many districts and caused damage amounting to millions, all parties to the political struggle that is rending the subcontinent were virtually marking time during July and August. The debates in the Legislative Assembly developed no new views and no decisive action. Although continuing their efforts to enforce a boycott of British goods, and urging non-participation in the Fall elections, the Nationalists in the main relaxed their spectacular "passive" resistance to government authority. Although occasional severe fighting occurred on the northwest frontier, the tribes beyond the Khyber Pass were being held in check.

Political discussion during the

period turned upon two subjects—the composition of the round-table conference which has been called for the discussion of India's future and the possibility of patching up a truce pending the outcome of this meeting. As to the Indian representatives in London, no decision has yet been announced. Prime Minister MacDonald, on July 29, informed the House of Commons that the British delegation would include representatives of the Conservative and the Liberal parties as well as of Labor. At the same time he said that the Labor Government would retain full responsibility for whatever plan might subsequently be presented to Parliament. He also declared that neither Sir John Simon nor any other member of the statutory commission that made the Simon report would be invited to participate in the conference. The inference was that the government wished to be entirely free to accept or reject the Simon recommendations, in whole or in part, as it should see fit, and that in excluding Sir John from the conference it was making a conciliatory gesture toward those Indian Nationalists who would feel that their case would be pre-judged were he or any of his colleagues to be members of the conference. Much resentment was expressed at this, but further controversy over the matter was averted when Sir John publicly stated that in the circumstances he felt that he could not be a delegate.

In India, British overtures toward peace were favorably received by Mr. Patel and other leaders who are still outside of prison walls. Representing them, Sir Tej Bahadur Sapru and Mr. Jayakar visited Mahatma Gandhi in the Yerovda jail on July 23 and upon subsequent occasions. No definite results followed their consultations.

Addressing a great Labor audience at the Crystal Palace on July 12, Prime Minister MacDonald said in part: "What is happening is only adding to India's difficulties and is not advancing India's chances of reaching dominion status. The men with whom we wish to cooperate have had to be

arrested for actions which, if they themselves had been responsible for a purely Indian Government and had been faced with conditions such as those they have created recently, would have compelled them to arrest the people responsible for those conditions. The whole of this is a melancholy thing which is unnecessary and foolish. Men who are going to be Governors of States and responsible for administration ought to look ahead and understand the conditions under which alone evolution and change are possible."

BRITISH EAST AFRICAN POLICY

Toward the end of the session, the British Government announced that in October Parliament would be asked to set up a joint Parliamentary committee to consider the East African policy which it had suggested in three White Papers issued late in June. In making this announcement, Lord Passfield, Secretary of State for the Colonies, declared that it was well that in native policy the government should go forward with as wide a measure of support as possible, and that he hoped that the joint committee would give that support to the government's plan. The government proposed, Lord Passfield said, that there should be a High Commissioner for Kenya, Uganda, and Tanganyika with a dual function. He would be there as the representative of the Secretary of State to see what was going on, especially in regard to native policy, and be able to intervene at the instance of the Secretary of State. The government thought it necessary that certain services in the three territories, such as railways, road and lake transport, and customs, should be under common management, and it was proposed that the High Commissioner should administer these transferred services with the support, advice, and assistance of a council representing all three territories. In Tanganyika they were bound by the terms of the mandate to retain that territory as a unit, but there was express power for a joint administration of the economic services.

Premier Tardieu's Record

By OTHON G. GUERLAC

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THE FRENCH PARLIAMENT adjourned on July 11 for a three months' vacation, thus assuring the Tardieu Ministry a lease on life at least until Parliament convenes in October. Adjournment was not effected without a vehement protest from the Opposition, which, both at the tribune and in a statement made at the close of the session, complained bitterly of the sudden interruption of important debates and the postponement of threatening interpellations.

M. Tardieu had many reasons for using his constitutional right to adjourn the two chambers by decree. In the first place, as numerous precedents show, Parliament has usually adjourned at this date. Again, the government felt that, after securing six votes of confidence from the Chamber and one from the Senate between June 26 and July 11 it was not advisable to give the Opposition an opportunity to continue its guerrilla warfare. Constant attacks from the opposition had strained to the breaking point the nerves of the Assembly and the physical endurance of the Premier. Moreover, in the two remaining weeks the pending bills could not have been disposed of and a continued session would have offered the enemies of the government only a chance for many sterile, noisy and even scandalous debates.

M. Tardieu stated these reasons for the adjournment in a spirited address which he delivered before a convention of war veterans on July 13 at Montbrison, in the Department of Loire. After reviewing the record of his Ministry, he stressed anew the main objects of his policy under the heads of "national independence, military security, sound finances, economic activity, public order, and, above all, a vigorous and healthy national morale." The record of

the last seven months shows that in spite of embarrassing circumstances nine-tenths of the Premier's program has been completed. These accomplishments include the national insurance law, the vote on the Young plan, the increased pensions for veterans, increased salaries for judges and for army officers, as well as aid for the French farmers. Like farmers the world over, the French farmers are suffering from various ailments; three bills, a wheat bill, a wine bill and a sugar bill, are expected to bring some relief to agriculture.

The French Social Insurance act, which the Tardieu Ministry considers one of its principal accomplishments, went into effect during July (see article on pages 1150-1153 of this issue). Almost immediately protests were made by the French workers. The first organized protest came from the metal workers in the great industrial city of Lille, who went on strike as a result of the refusal of their demands for an increase of wages corresponding to their expenditures under the insurance act. The agitation spread quickly to other industries and other cities until in the textile industry alone it was estimated that 100,000 workers were on strike. The situation was further aggravated by a rise in the price of bread and wine. Minister of Labor Laval said: "Social insurance is only a pretext for the strikes, which without doubt would have occurred without it. Every new social law in France has provoked strikes. These troubles are the inevitable price of all progress."

During the last days of July the centenary of the Revolution of 1830, the "three glorious days," was celebrated throughout France. Engineered by journalists like the famous Thiers, supported by the liberal bourgeoisie and



MAP OF FRANCE AND BELGIUM

winked at by the Orleanist cousin of the King, Charles X, the revolution easily and quickly overthrew the reactionary government of the last of the Bourbons. The ease and success of the revolution was due largely to the unpopularity of the government of Charles X, resting as it did on the support of the Church and the nobility, both of which wished to restore the *ancien régime*. The revolution marked the first genuine step in France along the road to political democracy, although before reaching that goal the country had to pass through the stage of constitutional monarchy under the leadership of the Citizen King, Louis Philippe, and a period of imperial absolutism under Napoleon III. The celebration of the centenary consisted mainly in countless articles in the press, several books on Louis Philippe, and a speech by M. Tardieu at a special ceremony in Paris.

M. Tardieu, whose vacation hardly deserves the name, made an important address before an association of workmen and industrial leaders at Nancy on July 27. Attacking the Marxian theories as obsolete, he appealed to the whole country to support his efforts in resisting socialism and in carrying out his policies of internal peace and national economy. At the same time he

criticized the Parliamentary system for its tendency toward extravagance with the taxpayers' money and its lack of regard for economic principles. Among other problems the Premier has had to consider the problem of the rise of the price of wheat only two months after the passage of bills for the correction of the fall in price of this commodity. The harvest which had promised to be excellent is now threatened as the result of a rainy Summer. With other measures to meet the situation the government has increased the percentage of foreign grain admitted and has asked the producers to supply the market with their reserves in gradual and only partial shipments.

CENTENARY OF BELGIAN INDEPENDENCE

The climax of the celebration of Belgian independence was reached during the last days of July, although the revolution which brought about this independence occurred on Aug. 25, 1830. On July 20 a great victory parade took place, in which veterans of the World War, mothers and widows marched in review before the entire royal family. Fifteen military bands, without counting those of the many organizations participating, gave this impressive parade a martial tone. The same day the King received the compliments of the diplomatic corps. In response to the address of the Papal Nuncio, dean of the foreign representatives, the King said: "I greet in you the messengers of that peace, the instruments of that harmony, without which there is neither progress nor happiness for the nations."

On July 21 another huge celebration occurred in the Park of the Cinquantenaire. In the presence of 15,000 guests and delegates from all the Belgian regiments and before the royal family the Prime Minister and others gave addresses. The King in his speech set forth the purpose of his family, namely, "to work for the greatness of his country and the happiness of his fellow-citizens." King Albert said in referring to peace that moral balance and social

peace must be preserved, that a wise and cautious policy must be followed, and that, above all, the greatest vigilance in the defense of the country must be maintained until the day of general disarmament is at hand. If these festivities, which have occupied the entire

first half of 1930, have proved anything at all, it is the loyalty of the Belgian people as a whole to their King and to the dynasty which has guided their destinies since the time when they broke with the house of Orange-Nassau.

The German Constitutional Crisis

By SIDNEY B. FAY

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UPON THE ADVICE of the Bruening Cabinet, President Hindenburg, on July 18, made use of his constitutional right to order the dissolution of the Reichstag. New elections were set for Sept. 14 to follow within sixty days of the dissolution, that is, in this case, before Sept. 17.

The dissolution was preceded by two of the most interesting and important constitutional conflicts which have taken place since the establishment of the republic. One originated primarily in an economic and strictly constitutional problem, the other in a party and social conflict. But at bottom both arose from the antagonism between the Right and Left, between the middle classes and the Social Democrats, between the federal government, one the one hand, and Prussia on the other.

The first constitutional conflict arose from the difficulties which have faced the Bruening Cabinet in trying to find new taxes with which to meet the federal government's serious deficit. As has been already pointed out, Bruening from the outset had only a very precarious majority, which was at the mercy of the German Nationalist party. For two months he patiently proposed numerous taxes and negotiated with the various party leaders. Most of his proposals were either rejected or emasculated; one group after another felt that its own selfish group

interests were not sufficiently respected. Selfish party interests were continually placed ahead of the interests and necessities of Germany as a whole in these Reichstag debates and negotiations.

Finally, Bruening brought in a budget which included the following tax proposals: (1) a supplement of 2½ per cent to the income tax, with exemptions of incomes under \$500 and of persons not insured against unemployment, and a 5 per cent supplement on incomes of more than \$2,000; (2) a supplement of 10 per cent to the income tax for all unmarried persons, including divorced persons in cases where there are no children to be supported; (3) a poll tax of at least 6 marks, which may be increased by communes for local purposes, with exemptions for the unemployed, and (4) a curtailment of the period within which taxes on tobacco must be paid. At the same time Bruening laid before the Reichstag a declaration from President Hindenburg that if the Legislature rejected the budget, he would put it into effect by making use of the "emergency clause" (Article 48) of the Constitution.

After a heated debate, the Reichstag rejected the budget on July 16 by a vote of 256 to 193, the Nationalists, National Socialists, Social Democrats and Communists voting against it. Three constitutional paths were open to the Cabinet: it might resign, it might ask Hindenburg to dissolve the

Reichstag and order a new election, or it might make use of his declared intention of falling back on the "emergency clause." It chose the last mentioned and announced that the budget was to go into force as an emergency law.

Two days later the Social Democrats brought in a bill, as they had a constitutional right to do, annulling the emergency law. The passage or rejection of this bill depended on the attitude of the Nationalists. Their official leader, Hugenberg, announced that his party would join the Social Democratic opposition to the emergency law and vote annulment. But his rival in the party, the more moderate Count Westarp, stated that he and some of the

Nationalists would vote against the bill for annulment; that they did not like tax proposals, but that in the circumstances these were perhaps necessary; that though they had voted against the budget they would not further embarrass the Cabinet by declaring the emergency law null and void, since they wanted the present government to continue the promised work of agrarian reform and to complete the other business still before the Reichstag. In the vote which took place on the bill, however, in spite of the twenty-three Nationalists who followed Count Westarp, Hugenberg's following was sufficient to pass it by 236 to 221.

President Hindenburg then sanctioned the annulment, otherwise he



MAP OF GERMANY AND AUSTRIA

would have been compelled by the Constitution to resign. But he then made use of his further constitutional right to dissolve the Reichstag (Article 25), and ordered a new election for Sunday, Sept. 14. The Bruening Cabinet thus remained in power and on July 26, with President Hindenburg's approval, put into effect under Article 48 a financial program differing in only a few particulars from that which failed to win the support of the Reichstag. The bill was to become effective on Sept. 1.

The final bill as decreed lowered the budget by \$40,000,000, put a 5 per cent increase on the general income tax and a 10 per cent on that of bachelors, made a special additional 2½ per cent levy on civil employes and gave the communes the right to levy an increased beer tax and head tax on their population. Certain of the promised agricultural relief measures were also included. This budget was to remain in effect unless the new Reichstag should reject it in the Fall. If the Reichstag should annul it, the President has no power under the Constitution to dissolve it a second time for the same cause.

In the course of the debate on the annulment bill, the Finance Minister, Dr. Dietrich, pointed out the dangerous emergency which might arise from disorders growing out of unemployment and the inability of the republic and the communes to meet their financial obligations, if they did not receive the revenues which the proposed budget was expected to produce. He used a phrase which is likely to become classic: "The question is whether the Germans are a lot of selfishly interested persons or whether they are a nation."

Legal experts in Germany differ as to the constitutionality of President Hindenburg's use of the "emergency clause" in this instance. They point to the wording of Article 48 of the Constitution: "The President of the Republic, if public safety and order is seriously disturbed or endangered, can take the necessary measures to restore public safety and order, and if need

be act with the assistance of the armed forces. * * * He must immediately inform the Reichstag of the measures taken. The measures may be annulled at the wish of the Reichstag." The Social Democrats and other Opposition critics contend that this emergency clause was only intended to be used in the case of far more sudden and serious crises than that involved in the financial situation. The present writer is inclined to the same juristic view. On the other hand, there is some truth in the statement of the Finance Minister that a failure to provide for the deficit would make the financial chaos still worse, and might eventually lead to serious public disorders. In any case, it is certain that the outcome of the constitutional crisis has further strengthened the hands of the Federal Government, and especially of the Executive. It would be a mistake to think that it is a step in the direction of Fascism, though it is welcomed by the Right groups as a precedent which they themselves may some time like to follow.

The other constitutional conflict arose out of a smoldering opposition which has existed for years between the *Stahlhelm* and the *Reichsbanner*. The former, the "Steelhelmets," somewhat like our Veterans of the World War, are mostly 100 per cent Nationalists. Many of them at heart are monarchists and are flatly opposed in principle to the present republican form of government. They favor a stiff, and even defiant, foreign policy, and condemn Stresemann's conciliatory attitude. They find their chief strength in the non-industrial regions of the smaller German States outside Prussia. The *Reichsbanner* on the other hand, or "Republican Legion," are ardent defenders of the present form of government. They are comprised largely of workingmen and Social Democrats who are more international in their outlook. They are strongest in North Germany, especially in the industrialized regions of Prussia.

Last Winter the *Stahlhelm* organizations in the Rhineland and West-

phalia engaged in activities which antagonized the French and were asserted to be contrary to the law. They were, therefore, ordered dissolved by the Prussian Cabinet, which is strongly Social Democratic. Protests followed. In the negotiations which ensued Braun, the Prussian Minister-President, offered to withdraw his order of dissolution on condition that the *Stahlhelm* signed a paper admitting that they had acted illegally and promising not to do so in the future. This the *Stahlhelm* refused to do. In the meantime it was planned that in June, after the final withdrawal of the French occupation troops, there should be fitting celebrations in the Rhineland. President Hindenburg had accepted an invitation to be present. When the negotiations between Braun and the *Stahlhelm* leaders came to nothing, President Hindenburg suddenly, on July 15, withdrew his acceptance. In a strongly worded but dignified letter, he declared that he did not share the Prussian Minister's view that the *Stahlhelm* had acted illegally; that he had expected the ban to have been raised, and that until it was raised he could not consent to participate in the celebration. "I cannot reconcile it with my constitutional duty to be impartial," he wrote, "to take part in a liberation celebration from which a part of the citizens have been excluded—unjustly as I believe—by a decree forbidding their organization. By your decree you make it impossible for me to greet, united together, all the old war veterans; whereas all the other organizations are to be admitted, and in large numbers, to the evacuation festivities. This unfair procedure is for me intolerable."

President Hindenburg thus put the Prussian Ministry in an embarrassing and unpopular position. From a constitutional point of view the head of the republic seemed to be dictating to the government of one of the States. Would the Braun Ministry stand firm on its rights or resign or seek a compromise? After a few hours consideration it decided on compromise. It pro-

posed less humiliating conditions to the *Stahlhelm*. The conditions were accepted; the ban was raised, and President Hindenburg forthwith withdrew his refusal, set off to the Rhineland to review the whole body of united and outwardly harmonious war veterans. The incident has added to his already great prestige. It has also strengthened the Federal Government and has been a blow to Prussia and the Social Democrats.

AFTERMATH OF THE RHINELAND EVACUATION

Though there were certain nationalist outbreaks against persons suspected of "separatist tendencies," the final evacuation of the Rhineland by French troops was brought about without much trouble, on June 30, five years before the final date set in the Treaty of Versailles. This "liberation" of German soil was one of the main objects of the late Dr. Stresemann's policy of conciliation and fulfillment, and was one of the chief reasons advanced in Germany for acceptance of the Young Plan.

In France the evacuation did not seem to bring in the era of good-will and friendliness foretold. French nationalists exploited to the full the nationalist riots in Mainz, Wiesbaden and Kaiserslautern. The speeches of President von Hindenburg during his visit to the liberated districts were unfortunately misinterpreted and were resented by many of the French papers.

There also remains the question of the Saar. Under the Treaty of Versailles the coal mines in the Saar were ceded to France, and the political government of the region was placed under a commission of five acting in the name of the League of Nations. In 1935, according to the treaty, there is to be a plebiscite to ascertain whether the inhabitants wish to continue the present rule of the League, or whether they wish to be annexed to France, or whether they desire to be reunited to Germany. In the latter case, Germany may buy back from the

French Government the ownership of the mines.

Though the French have made great efforts to strengthen the ties of the Saar to France in such matters as coinage and the tariff, it seems to be generally agreed that a plebiscite five years hence would go overwhelmingly against them. Meanwhile Germany has been very anxious to regain control of the region. With many thorny questions involved it was desirable that this source of irritation between France and Germany should be removed. Accordingly a mixed Franco-German commission was appointed and carried on long negotiations for some final settlement, parallel with the negotiations for the adoption of the Young Plan. It sat in Paris for months but found no solution satisfactory to both countries. One chief stumbling block was the French desire to retain the exploitation of at least a part of the mines, in case the Saar should be handed back to German political control. From an economic point of view, this is natural enough, because a considerable part of the Saar coal is consumed in France.

Another obstacle has been the evident wish of the French to prolong as long as possible, that is, to 1935, the present régime, in the hope that present arrangements will strengthen the French hold on the region. This hope can be read between the lines of a recent article in the Paris *Excelsior* by ex-President Poincaré, who is closely associated with the great French iron and steel interests, and who is opposed to any present settlement of the Saar question.

Owing to these obstacles and negative results, the Saar negotiations in Paris were finally abandoned early in July, and the German delegates returned home. ———

Germany is in a stronger diplomatic situation in view of recent events. She is no longer a suppliant in regard to French troops on the Rhine; the Young Plan has temporarily settled the reparations question; German exports have shown a gratifying excess over

imports for the first half of the present year (503,000,000 marks, as against an unfavorable balance of 274,000,000 during the first half of 1929), and in the recent constitutional crisis which resulted in the dissolution of the Reichstag, the executive has given evidence of decided vigor, in contrast to the impotence of the Legislature.

THE AUSTRIAN LOAN

Austria finally secured on July 15 the foreign loan for productive purposes which she has been seeking for three years. But the conditions under which it has been issued are severe for the impoverished country. In spite of the low interest rates prevailing in the leading money markets, the world-wide economic depression has not been encouraging for international borrowing. The very moderate success of the recent Young loan has further decreased the enthusiasm of bankers to undertake new loans to European States. Various political influences, which have held up the placing of the loan ever since the first negotiations in 1927, have also had an unfavorable effect. Italy for two years withheld her consent to certain necessary preliminary agreements, and France finally declined to participate at all, ostensibly because Austria had not settled certain pre-war obligations in which French investors were interested.

The loan as negotiated was for 439,000,000 schillings (about \$25,000,000), at 7 per cent for twenty-seven years, repayable after five years at 103. But as it was issued at 95, and as there were the bankers' charges in addition, it actually brought Austria less than 400,000,000 schillings. In other words, it nets the investors a little over 7½ per cent and cost the Austrian Government about 8.3 per cent. The Bank for International Settlements at Basel is to act as trustee and collect the necessary funds for interest and sinking fund from the proceeds of the Austrian customs and tobacco revenues. The money from the loan is for the Austrian railways and post and tele-

graph service. \$25,000,000, or a little more than 38 per cent, has been subscribed in New York. Other countries participate approximately in the following proportions: England, 23 per cent; Holland, 4 per cent; Italy, 9 per cent; Sweden, 5 per cent; Switzerland, 8 per cent, and Austria, 12 per cent. The total loan authorized is for 725,-

000,000 schillings, but Austria agrees not to ask for a second instalment within twelve months.

Major Pabst, who was expelled from Austria on the charge of plotting against the State, has discreetly remained in Venice, but it was rumored that his finances were low and that he was planning to go to Munich.

Earthquake Disaster in Italy

By EDITH FAHNESTOCK

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ALL OTHER INTERESTS in Italy have retreated into the background with the news of the severe earthquake which devastated a number of towns and villages in the Apennines of Naples shortly after 1 o'clock on the morning of July 23. This mountainous region, consisting of high elevations and deep defiles with villages and towns either on the summits or clinging to the mountain sides, bore the brunt of the earthquake. The city of Naples was only slightly affected as compared with other parts of the province of Naples and the provinces of Foggia, Benevento, Avellino and Potenza. Communications were in many cases cut off and it was at first difficult to get exact statistics of the fatalities. The official figures issued on July 27 were, as far as was then known, 2,142 killed and 4,551 injured. Renewed shocks later terrified the people but did little damage.

Mussolini on receiving the news immediately sent a relief train with Senator Cremonesi, president of the Red Cross, and the Under-Secretary of Public Works to the desolated regions. They were in charge of the relief work, which seems from all accounts to have been most efficiently conducted. Mussolini, feeling that the government was entirely capable of carrying through the necessary work, gave an order to Italian prefects forbidding private or public subscriptions. Offers of aid from foreign countries and from our Amer-

ican Red Cross were declined with gratitude, "since the Fascist Government had already taken all necessary measures." The King visited the regions most affected and the Pope also made arrangements to aid the sufferers and sent Mgr. Chiapella as special envoy.

On July 29 the Cabinet Council voted \$5,200,000 as the government's first contribution toward the expense of rebuilding. This work will be hastened as much as possible in order to house the many homeless now living in tents before the approach of Winter. Construction of these new houses, which are to be shock-resisting buildings, has already begun. Signor Crollalanza, Minister of Public Works, has reported to Mussolini that first-aid service in the devastated districts is already being demobilized.

FRANCO-ITALIAN RELATIONS

During the month of July France and Italy have apparently taken a step in the direction of resuming negotiations. As a result of Foreign Minister Briand's undertaking "that for the next six months no new ships will be laid down by France," Mussolini has agreed to a similar naval holiday and the maintenance of the status quo. Foreign Minister Grandi's suggestion that all building should be halted while negotiations between France and Italy were pending has not been accepted. Since both countries have their yards virtually full of ships in construction and could not be-



MAP OF THE MEDITERRANEAN

gin the building of others for some time, neither France nor Italy is sacrificing anything real. Such a "naval holiday" has called forth the following comment in the *Manchester Guardian*:

It may be said that this farce is justified because it saves the faces of both governments and enables them to resume negotiations. Perhaps this is so, if it is clearly understood throughout the world that it is a farce. A large part of the public opinion of the world is, however, likely to be deceived about the matter, and every successive deception of this sort, with its inevitable subsequent disillusionment, does more and more harm to the cause of peace. Besides, it is difficult to be hopeful about the success of negotiations that start with an attempt to humbug public opinion. At the same time, it should not be forgotten that the Italian Government is not to blame in the matter, for Signor Grandi and his government did propose a real "naval holiday," and M. Briand and the French Government have refused to agree to one.

Americans are especially concerned by the new Italian tariff, which has more than doubled the duty on imported cars. With such prohibitive duties on foreign cars the Italian Fiat Company is left with a virtual monopoly, and in view of this fact much interest attaches to Mr. Henry Ford's recent purchase of the Isotta-Fraschini automobile factory at Milan. The rumor is current that Mussolini himself prompted Mr. Ford to establish a factory in Italy.

Cardinal Vincenzo Vannutelli, Dean of the Sacred College, died at the age of 93. He had been a great figure in the Sacred College and was one of the principal diplomatic representatives of the Vatican. He had served the Church in Brussels and Holland, had been papal envoy to Constantinople, papal nuncio at Lisbon and was pontifical delegate to more than one of the Eucharistic Congresses. An incident connected with his death has given rise to several very interesting legal questions concerning relations between the Vatican tribunal and the Italian courts. Cardinal Vannutelli's heirs had received permission from the Vatican to take away a trunk of his personal papers before his apartment was sealed. This trunk was entrusted to a Vatican employe who lived in Rome outside the Vatican City. The judge of the Vatican tribunal called at this Italian citizen's house, sealed the trunk and ordered him not to return it to the heirs without the consent of the Vatican. The heirs have sued in the Italian courts for the return of the trunk.

CONDITIONS IN SPAIN

Political affairs seem to be rather at a standstill in Spain, although the newspapers are full of discussion. Santiago Alba is still in Paris, and much interest centres on what support he can count on if he returns. He

is resolved, it is understood, not to govern unless he obtains the support of other forces than those of the old Liberal party. And, as yet, he has not been successful in gaining the support of the Left.

Count Romanones, former Prime Minister and chief of the old Liberal party, made a political speech, his first for seven years, at the Liberal Club in Madrid. He urged party fusion and the support of Alba, and added that a Monarchical-Liberal party should shield King Alfonso from having the question of his responsibility for past acts raised. The Liberals were monarchists, he said, but something more—friends of the King as long as the King remained a friend of Parliament. He also stated that he would not have anything to do with elections if dishonesty or boss-rule were involved. The following quotation from his speech seems difficult to reconcile with the desire to protect the King from investigation of his responsibility:

However much the old parties are condemned, parties are necessary. Yet the principal work of the dictatorship was to destroy the monarchical parties, which is the reason for the present chaos. I admit the original conduct of the parties was culpable, but those who took part in the dictatorship must be punished. It must be made clear that one cannot be dictator in Spain with impunity. The past of the parties must be forgotten and youths and seasoned men work together to restore order.

Social conditions, judged from the outside, seem to be far more tranquil than in the preceding months. The Spanish Government has denied that it had any part in the arrest by the French authorities of sixty-one anarchists meeting in France to plan disturbances in Spain and asserts that it had no knowledge that such arrests were to be made.

On Aug. 5 Premier Berenguer announced that press censorship and other restrictions would be removed on Oct. 1. It is reported that elections for Parliament will be held on Nov. 1 and that the new Parliament will be convened a month later.

The new Spanish tariff, which raises to new heights what was already the highest tariff in Europe, has now been published. The chief American articles affected are automobiles, tires and casings, safety razor blades, sewing machines and motorcycles. The duty on cars is somewhat more than doubled on the lighter cars and about doubled on the heavier ones. The increases in tariff are primarily intended, it is stated, to improve the peseta exchange by reducing imports. Nevertheless, it is estimated that the new tariff will affect 27 per cent of Italy's exports to Spain, as against 18 per cent of the French and 16 per cent of the American exports.

A NEW PARTY IN PORTUGAL

At a meeting of the Cabinet and the military Governors of Portugal the principles of a new party, the *Untao Nacional* (National Union party), were announced. One of these is the duty of each member to support all the acts of the dictator since the establishment of the dictatorship. The plans for this party and the projected constitutional reforms were explained to a gathering of 750 civil Governors and chairmen of City Councils who met with Colonel Antonio Amatheus, Minister of the Interior. The Minister of Finance described the future Parliament, which he said would have the legislative power but not the prerogative to appoint and dismiss Ministers, a power which would be vested in the President of the Republic, to whom the Cabinet would be responsible for its acts. Under the plans every Portuguese 21 years old may join the National Union, from which the members of Parliament will be elected. Old parties who voice opposition to the government plan would be ineligible to seats in the new House. The new Constitution will uphold the separation of Church and State and define Portugal's colonial powers. It also affirms the government's adherence to the alliance with Great Britain.

Anti-Semitism in Rumania

By FREDERIC A. OGG

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ANTI-SEMITIC demonstrations broke out afresh in Rumania in mid-July. On July 13 the government sent out troops to the troubled districts and all State prosecutors were ordered to arrest anti-Semitic agitators. The Ministry of the Interior consulted constantly with Premier Maniu; an aide in the Ministry of the Interior was dismissed because of anti-Semitic leanings. On July 24 King Carol and the Cabinet decided to invoke martial law in the affected districts in case the existing laws proved insufficient to maintain peace and order. Attacks upon Jewish families and communities came mainly from farmers, protesting against alleged usurious rates charged by bankers, and from student agitators. In some instances Greek Orthodox priests also lent support. Dr. Alexander Vayda-Voevod, Minister of the Interior, explained at a government conference on the subject that the demonstrations by peasant farmers were prompted mainly by the existing agricultural depression, and charged that the police and gendarmerie authorities had been guilty of neglect in not having dealt with the disorders with greater firmness. It was further thought that the agitation was partly fostered by enemies of the present government.

The question of Carol's reconciliation with Helen was still unsettled in the beginning of August. (See article on page 1085 of this magazine.) On July 19 the King and Queen appeared together for the first time at a public ceremony; it was reported that the King had drawn up the legal decree of annulment of the divorce, and the country was hopeful of a settlement of the personal difficulties of the royal family. On the other hand, on Aug. 4 a news dispatch reported that all ef-

forts aiming at reconciliation had failed and that it was even possible that the coronation of Carol in October would have to be postponed on that account. This failure was practically confirmed on Aug. 10, although it was stated that the coronation plans would continue as originally made.

On July 21 Dr. Constantin Angelescu, Under-Secretary of the Interior and former Rumanian Minister to the United States, was fired upon five times by a Macedonian youth who professed to have been animated by a desire to show his disapproval of the government's alleged ill-treatment of Macedonians in Dobrudja. The shots took effect, but the victim recovered.

AFFAIRS IN HUNGARY

Minister of War Gömböcs has confirmed an interview published in the *Echo de Paris*, in which he stated that Hungary would seek the consent of the great powers to substitute compulsory universal military service for the present paid army. Compulsory service is said to be both cheaper and more in accord with Hungarian tradition, and Hungary is willing to pledge herself not to exceed the present army strength of 35,000.

A flutter was caused in Little Entente circles in the middle of July by a letter sent by ex-Empress Zita (signing herself "Empress and Queen") to every adult member of the Habsburg family requesting, in a very pointed way, that all give her son, Archduke Otto, a declaration of allegiance similar to that recently made by the youth's erstwhile rival for the Hungarian throne, Archduke Albrecht. "Every member of the Habsburg family," the communication concludes, "has absolutely to oblige himself to support with all his powers the restoration which is being pre-



MAP OF THE BALKANS

pared." There are to be elaborate ceremonies when, on Nov. 20, the student prince comes of age and takes over the Habsburg headship, and there are no lack of surmises and rumors that the day, or some date not far removed, will witness a coup d'état designed to place him on the long vacated throne.

It has lately been announced that at the next meeting in Lausanne of the arbitral court regulating the distribution of the common property of pre-war Austria-Hungary, the Hungarian delegate, Baron Joseph Sztrenyi, will raise on behalf of Archduke Otto the question of the disposition of that part of the Habsburg family property confiscated by the Austrian Republic which Otto would have inherited. The Hungarian viewpoint is that since Archduke Otto is not in a position to act for himself against Austria, Hungary should act for him and should restore to him any part of the Habsburg property

which the court may decide belongs to that country.

YUGOSLAVIA AND ITALY

A series of episodes—pin-pricks which are too unimportant to be enumerated here, yet unmistakably indicative of national feeling—continue to show how intently Yugoslavia and Italy keep their eyes fixed on each other. It is understood that the communiqué of July 4 perpetuating the dictatorship at Belgrade was justified to members of the Zinkovitch régime by the plea that only under a dictatorship could the country organize against the war danger which faces it. A Fascist dictatorship on one side of the Adriatic—so the argument ran—can be counterbalanced and neutralized only by a Fascist dictatorship on the other side.

This impression of the reasons involved (or at all events assigned) finds confirmation in a new law on national defense promulgated at the Yugoslav capital on July 18. The extraordinary measure referred to not only urges the necessity that the country—even in days of peace—be put in a state of defense, but goes on to provide for a prompt mobilization of financial, industrial and labor power, and even to set up a council of national defense, composed of the chief of the General Staff and all the Ministers, and charged with working out at once the mobilization of all the country's resources. Branch organizations are to be formed in each municipality to insure food supplies in case of mobilization, and in each military district an advisory body, composed of representatives of industry and labor, is to be established.

On July 16 Dr. Babinski, Polish Minister at Belgrade, handed to the Yugoslav Foreign Office a suggestion that, in view of the depression of markets, steps be taken to bring about an economic entente among at least nine Central European agricultural States, presumably Bulgaria, Czechoslovakia, Estonia, Finland, Hungary, Lithuania, Poland, Rumania and Yugoslavia. Three of these States—Hungary, Rumania

and Yugoslavia—had already arranged for a conference at Bucharest to discuss the formation of an agricultural selling pool or cartel to meet American competition in European markets. This conference was duly held, beginning on July 22, but obstacles were encountered and nothing tangible was accomplished. The proposal for a wider agrarian entente, with a secretariat at Geneva, though at first not favorably received by the agricultural interests of Czechoslovakia, furnished much material for discussion in succeeding days, and on July 23 it was announced from Warsaw that Ministers of Agriculture from eight Central and Eastern European States would meet in the Polish capital about the middle of August to consider farm relief on a wide international scale.

The Prague Chamber of Commerce has appointed a special committee to inquire into the workings of the new American tariff law. Specifically the committee's task will be to establish the difference between American and foreign production costs and to propose to the United States Government either a change in the tariff or a new classification.

The arrest was ordered on July 18 of

Ivan Mihailoff, leader of the Macedonian revolutionary committee in Bulgaria, on a charge of inducing two members of his band to kill a member of a rival Macedonian organization headed by the late General Protogeroff. The assassination took place as long ago as March 6; but the issuing of the warrant, together with the actual arrest in June of scores of members of Mihailoff's organization, was significant of a stiffened policy at Sofia in dealing with the peculiarly thorny Macedonian problem. Heretofore the authorities have never had the courage to hold the leader of a Macedonian secret organization responsible for political murders, even when they were known to have been committed under his orders.

General Pangalos, former Dictator of Greece, has been condemned to two years in prison and loss of civil rights for five years for transgressing the law of Ministerial responsibility. His offense consisted in granting the Kirkinis textile firm a \$300,000 contract to supply clothing to the army without notifying the Minister of Finance. A charge of embezzlement was dismissed. It would seem, however, that there are limits to what even Dictators may do with impunity.

Norway's Claim to the Antarctic

By JOHN H. WUORINEN

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AT THE GENERAL conference of the Williamstown Institute of Politics on Aug. 5, Norway's claims to lands in the Antarctic were defended by Wilhelm Morgenstierne, Norwegian Consul General in New York, against American, British and other claims. He maintained that because of his country's interest in whaling, Norway has the greatest economic interests in the Antarctic. For

example, during the current year approximately 100 whalers with some 8,000 men will be engaged in the business in the extreme south.

In the course of the Consul General's remarks, it was disclosed that the Norwegian Government's contentions were brought to the attention of the State Department in Washington on April 29, 1929, when the Norwegian Minister to the United States handed to Secre-



MAP OF NORTHERN EUROPE

tary Stimson a note concerning the operations of Admiral Byrd. It was contended that Roald Amundsen's discoveries in the regions traveled by Admiral Byrd gave Norway the right of priority in these territories and that as soon as the requirements of international law for effective occupation had been complied with, this claim would give full title. In view of Senator Tydings's resolution, which would authorize the President to claim, on behalf of the United States, any land discovered by an American citizen, these contentions have a significant bearing on a question which involves the sovereignty of a continent supposed to be larger than the United States.

THE ANNIVERSARY OF ST. OLAV

In July Norway began the celebration of a jubilee of unusual national importance in a historical, ecclesiastical and cultural sense—the 900th an-

niversary of the introduction of Christianity into Norway, which synchronized with the battle at Stiklestad, where King Olav the Holy fell in 1030. As Stiklestad is a district only a few miles from Nidaros (until Jan. 1, 1930, Trondhjem), the festivities which are to continue till October, centre around the cathedral in Nidaros.

King Olav dedicated his life to battle for Christianity in Norway, and may fittingly be called a soldier of the cross. The King's death came to be regarded as the beginning of the Christian religion in that country. Also, he is the recognized symbol of the union of the scattered sections of the country, the personification of the idea of a nation—*Rex perpetuus Norvegiae*. But St. Olav's historical significance goes further. From the venerable cathedral in Nidaros, in which he rested in his coffin over the high altar, wonderful signs and miracles were reported. He became the national saint of the Norwegian people and the first and greatest of Nordic saints of international fame.

The cult of St. Olav spread over the whole of Northern Europe. Olav churches and cloisters were built. Even in Great Britain and in Ireland evident traces of the existence of this cult are still to be found in sculptures and paintings. From Sweden, Denmark and Finland pilgrims came in procession to the Nidaros of the Middle Ages, only this year rechristened with its original name. Here was the centre of the cult and at the same time the capital of the country. It was and continues to be the seat of a bishopric, and to the cathedral in this town the Norwegian Kings still come to be crowned.

The chief ecclesiastical event was the dedication on July 29 of the interior of the cathedral, which has been under repair and restoration since 1860. This venerable building, which, in the 850 years of its existence has reflected the vicissitudes of the history of the Norwegian people, has also been designated Norway's most beautiful cathedral. It has a wealth of decorative sculpture. Among the pieces that have been preserved are works which must be ranked

as on a level with the finest existing Gothic specimens.

ANTI-COMMUNISM IN FINLAND

Two days after the formation of the Svinhufvud Ministry, on July 5, Finland witnessed one of the most impressive political demonstrations in its history. Over 12,000 citizens from all parts of the country and representing all walks of life assembled in Helsinki, the capital, as a protest against the Communist menace and with a view of impressing upon the government the magnitude of the Lapua movement, which aims to rid the country of all Communist elements. A few days later Parliament considered the government's anti-Communist law proposals. After the Cabinet threatened to resign unless its bills were accepted the bourgeois groups obtained the requisite majority on the second reading of the bills. However, it was disclosed that a considerable number of the Representatives doubted the wisdom of the Cabinet's proposals for amending the Parliament act and the election laws. On July 16 this opposition led to the dissolution of the National Legislature.

The main reason for the dissolution was the failure of the Socialists to vote for the measures, which needed a five-sixths majority. The new elections will be held on Oct. 1 and 2. On July 18 the Ministry of the Interior issued a circular addressed to the Provincial Governors which shows clearly that the Communists will be prevented from obtaining seats in the new Legislature. It stated in part that "under no circumstances will treasonous activity disguised as political campaigning be tolerated. Therefore, the election meetings or other similar election activity on the part of the Communists must be prevented by the police." The ousting of the Communists from the dissolved Parliament during the early part of July was thus but an introduction to an exclusion which promises to be of considerable duration.

The Estonian Parliament accepted on July 3 the military emergency law which

has been strenuously urged by the non-radical elements, especially since the assassination of General Unt some three months ago. The new enactment places considerable power in the hands of the commander-in-chief of the army, who is vested with the right, in certain emergencies, of dissolving the national Legislature. Despite the strong Socialist opposition to this concentration of power in the hands of the military, it was accepted by a vote of 45 to 29.

It was reported on July 15 that the centre parties of Estonia were approaching a significant consolidation of forces designed to counteract the effects of the periodic cooperation of the conservative Agrarians and the Socialists. The results of this cooperation between the forces of the Right and of the Left were clearly shown in the local elections last Spring. They spelled a notable victory for these two groups and resulted in a wholesale exclusion of centrist representation in city and rural governing bodies. By effecting the desired consolidation the centre forces expect to obtain control of thirty-nine seats, leaving twenty-six in the hands of the Agrarians and twenty-five at the disposal of the Socialists.

LITHUANIA'S RELATIONS WITH POLAND

The relations between Lithuania and Poland, which have been disturbing ever since the Zeligowski coup in Vilna some nine years ago, received a new interpretation at the hands of the *Lietuvos Zinios* on July 1. According to its contention, both Lithuania and Poland are threatened by grave dangers from Germany. Lithuania's foreign policy must therefore be changed so as to lead to close cooperation not only with Poland but Latvia and Estonia as well. The influential *Lietuvos Aidas* replied to these contentions by pointing out that the fears of German or Russian danger originated in Polish propaganda and that the real enemy of the country was Poland, which holds one-third of the area of Lithuania. Unless Vilna is returned to Lithuania, peaceful relations between the two countries are impossible. This more extreme Lithuanian view was also expressed by ex-President Grinius, who

stated on July 22 that as soon as the important agrarian reforms are completed the country will be in a position to press its case against Poland. Furthermore, greater attention should be paid to the strengthening and spread of Lithuanians in the Vilna district, for only thereby can the historic capital be regained from the Poles.

The prohibition situation in Finland was illumined by statistics made public on July 2, showing that the number of convictions in the lower courts for violations of the prohibition law during the first six months of the current year amounted to 7,185, while the corresponding figure for 1929 was 6,183.

Professor Augustinas Woldemaras, who ruled Lithuania as dictator for three years before his fall some ten months ago, made an unsuccessful attempt on July 28 to flee from the exile to which he was recently sent. The incident at Kroettingen resulted in stricter surveillance of the former strong man of Lithuanian politics.

For some time past it has been rumored in America that Great Britain is interested in buying Greenland from Denmark, or in extending her treaty rights there, in connection with plans to establish an Arctic air route. It has been alleged also that the United States, which purchased the Virgin Islands from Denmark during the

World War and at the time gave up her claims to the north of Greenland—based on Commodore Peary's expeditions—still has interests there because of certain implications of the Monroe Doctrine. *The Social Demokraten*, the official organ of the Danish Government, published on July 21, the following statement relative to Greenland made by Premier Stauning, who is also Minister for Greenland: "The rumors are clear nonsense. No application has been received from any foreign power, nor do we think of selling. We colonized Greenland and have done much to bring order in things up there, and we have sent out scientific expeditions to examine the conditions in the country. The Greenlanders are happy under Danish rule, which is not to be wondered at, as we have done much for the native population."

The Danish disarmament question was brought to the surface on July 28 when it was announced that the Chinese Government has been negotiating for the purchase of the coast defense cruiser Niels Juel. It was reported at the same time that both of the cruisers owned by Denmark will be disposed of at an early date. The one will be scrapped and in case the consent of Parliament is obtained the other will be sold to China. Thus the Danish Navy will practically cease to exist as the remaining craft are wholly inferior in size and equipment.

Soviet Russia's International Trade

By EDGAR S. FURNISS

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EVENTS OF THE past month have done much to threaten the growth of trade relations between the United States and the Soviet Union. Although no actual cargoes of lumber, pulpwood and other commodities have so far been refused entry, the Treasury Department has been considering the application of the clause in the new tariff law which forbids the importation of goods produced in whole or in part by convicts or by

forced labor of any kind. A large number of the workers employed in the production of wood pulp and matches, it is alleged, are former peasants who, because of their opposition to the Soviet policy of collectivization, have been reduced to a condition of penal servitude in the lumber industry.

Business interests in this country which have suffered from Russian competition have hastened to avail themselves of the opportunity thus afforded

to urge upon the government the proscription of numerous Soviet products which have been offered for sale in our markets below the domestic cost of production. Other groups of citizens, moved by their repugnance for the principles and practices of Communism, have joined in this demand. An organization of union labor, under the leadership of Matthew Woll, vice president of the American Federation of Labor, is agitating for an extension of the embargo so as to stop all importation of Russian products, arguing that there is no such thing as free labor under the Soviet system with its authoritative control of economic activity and its system of fixed wages. President Hoover's announcement of July 30 to the effect that our government would adopt no policy which discriminated against Russian products as such, but would take action against specific products which come under the ban of the tariff law, has apparently put a stop to these movements for a comprehensive boycott.

Nevertheless, the official interpretation of the tariff law introduces a serious element of uncertainty into our trade relations with the Soviet Union; and the situation has been made more difficult by the State Department's ruling that, since we do not recognize the Soviet Union, it is improper for any official agency of this country to attempt through investigation on the ground to ascertain the facts regarding forced labor in specific Russian industries. In view of the fact that Russia's importation of American goods, together with her expenditures in this country for technical assistance and other services, is part of a single, carefully devised plan in which her power to purchase is derived from her sales of goods, it is clear that these impediments to Russia's export trade must have far-reaching effect upon all her business dealings with this country.

Apart from these proceedings of our government, the trend of recent events has been such as to undermine Russian credit among American business men, already seriously affected by the storm

of protest against the Soviet religious policy early in the year. The feeling of uneasiness regarding Russian credit was increased when Commissioner Whalen published on May 2 documents purporting to prove that the Amtorg, chief Soviet commercial agency in this country, is used by Moscow as a medium for subversive Communist propaganda. In July the activities of a special committee of Congress under the chairmanship of Hamilton Fish Jr., brought this general feeling of uncertainty to focus upon the business agents and the commercial activities of the Soviet Union. The Fish committee, when cross-examining the Amtorg officials in a series of public hearings, clearly showed its conviction that the Soviet commercial establishments in this country were engaged in illegal political activity, threatened the officials of these agencies with deportation, and intimated that it would propose action by the Federal Government which would virtually put an end to Russian commercial relations with this country. The Whalen documents and the subsequent evidence against the Amtorg are, however, so unconvincing to the impartial student that it is probable no repressive measures against its officials will result from the committee's recommendations.

Walter Duranty, Moscow correspondent of *The New York Times*, in a recent dispatch dismisses the "Communist menace" in the United States as "preposterous nonsense." While, as he readily admits, the leaders in the Kremlin would like to see a Communist revolution in America they are under no delusions as to the immediate probabilities of such a happening. American Communists are few in number and gravely split by internal dissensions, and Moscow is well aware of this situation. Moreover, Mr. Duranty continues, Marxist doctrine, which is the kernel of bolshevism, teaches that capitalism contains within it the seeds of its own destruction; economic depressions are one evidence of this. According to Marx again this downfall of capitalism is an inevitable thing which Communists

can not make or create, although in practice they are not hesitant about hastening disintegration by making political capital out of industrial disputes and emphasizing the "class struggle." The Communist party in America, as in the rest of the world, is given orders from Moscow to be active in conducting parades, in making demonstrations where opportune and generally to make trouble where and when it can. But so far this work has been notably ineffective in the United States, and even the great All-Union Communist party, Mr. Duranty concludes, would doubtless agree with the American periodical which characterized the American Communist party as "a small clinic of nervous disorders."

In any case, much damage has been done. Our export trade to the Soviet Union is all carried on on the basis of credits varying from a minimum of 25 per cent to the full amount of the order. These credits are borne in the first instance by the American business man, who relies upon the willingness of our banks to finance the transaction by discounting his notes. The absence of diplomatic relations and commercial treaties between the two countries renders this structure of credit transactions peculiarly sensitive to rumor and suspicion, especially when these involve indications of disapproval by our government; for the business man dealing with Russia is denied the protection of law and the courts in case of default.

The influence of these developments on our commercial relations with Russia is disclosed by our trade statistics. An analysis of our trade with European Russia in 1929, published by the Department of Commerce on June 9, showed a total of \$101,900,000. These figures refer to actual shipments of goods and are, consequently, much below the Amtorg's estimate of \$155,000,000 for the total value of purchase and sale contracts formed in 1929. Of this trade 80 per cent consisted of American exports, over half of which were manufactures. In many lines Rus-

sia had become one of our chief foreign customers; as, for example, in tractors, of which Russia has been taking 60 per cent of our entire foreign sales; and in construction equipment and machinery, in which trade Russia in 1929 ranked second among the countries of the world. Our Russian business has been marked by rapid expansion, increasing 50 per cent in the past two years.

The Department of Commerce, with the intent of minimizing the effect of the developments we have been discussing, stated on July 30 that American exports to Russia in the first five months of this year totaled \$64,424,000 as against exports of \$23,217,000 in the same period last year. These figures, however, are unreliable as an indication of current developments, since they take no account of some \$40,000,000 of Soviet orders placed here in 1929 for future delivery. Between January and May of this year our current sales to Russia fell from \$12,420,000 to \$3,098,000. Sales in June, 1930, showed some increase as compared with May, but were one-third below the figures for June, 1929. Though final statistics for July are not yet available they will undoubtedly show further dwindling of our economic relations with the Soviet Union.

Because of the attitude of our governmental officials and the credit situation here Russia is transferring her business to Great Britain and Germany. During the first third of this year Soviet purchases in Great Britain more than doubled. Last year's trade agreement between Great Britain and the Soviet Union has created conditions in the British market which are almost exactly the reverse of those developing here. For, pursuant to this agreement, the British Government guarantees a large part of the credit involved in Soviet purchases. This is true, also, in Germany. We do not have as yet the details of the new commercial treaty upon which a mixed German-Soviet commission has been at work in Moscow. But under the previous treaty Ger-

many guarantees credits in Russian trade totaling at any one time \$75,000,000; and the new treaty, to judge by the opening negotiations, promises to improve trade relations between the two countries. Soviet purchases in Germany have been increasing rapidly during the past two months.

Hardly less significant was the signing of the commercial treaty between Italy and the Soviet Union in Rome on Aug. 3. Under this agreement the Italian Government guarantees credits on Soviet orders up to 75 per cent, which, it is stated, will permit the amount of orders placed in Italy to be doubled, compared with the current year. Dispatches from Rome state that the agreement has found much favor with the Italian business community, while reports from Moscow are equally enthusiastic.

It is a truism of modern history that economic and political relations between States are closely intertwined. Many people in this country have looked to our expanding business contacts with Russia to create among our citizens a group with interests that would presently be strong enough to override our government's opposition to diplomatic recognition of the Soviet Union. That this belief was shared in Moscow was apparent from the studiously cordial tone of the Russian press when commenting on American affairs, and the friendly attitude of Soviet officials when dealing with our nationals. Recent developments have indefinitely postponed these expectations if they have not utterly destroyed them. The Soviet Union has thus interpreted the political implications of these events. Her official journals have discarded their conciliatory tone and broken forth into bitter denunciations of our government and its officials, threatening economic reprisals.

INTERNAL CONDITIONS IN RUSSIA

The internal conditions of the Soviet Union, political and economic, have undergone no important change during the past few weeks. As predicted in our

summary of Russian events last month, Stalin has emerged from the convention of the Communist party more firmly entrenched in power than ever before, and with a more completely united and determined party behind him. There is no better indication of Stalin's mastery over the party than the decision to permit Rykov to retain his position on the ~~political bureau~~, and Tomskey and Bukharin, who with Rykov were formerly leaders of the Right opposition, to continue as members of the Central Executive Committee. The official program of the Soviet Government—the Five-Year Plan for industry and agriculture—received the approval of the convention unqualifiedly, save for the decision to increase its rate of progress with the intention of achieving its objectives in four years instead of five.

Economic conditions as they confront the average Russian have not improved. The city population is still on short rations suffering from a dearth of many of the necessities and conveniences of life. There is, however, no indication of rebellion against these arduous conditions. The vast peasant population does not feel the effects of the food shortage; and the urban people who are affected by it have been convinced that their present sufferings are an aspect of the great industrial revolution which will soon make Russia a powerful and prosperous country. The critical test of the government's power to exact continued sacrifice from the people will come when the results of this year's harvest are known. The latest Soviet estimates indicate a record crop with a large exportable surplus. A fulfillment of these predictions would safeguard the Communist experiment from popular revolt for another year.

The collectivist movement in agriculture has received a strong impetus from a decree of the Agricultural Commissariat that the income from the collectives shall be divided unequally among the members. A larger share will go to those who do work of higher skill and

5 per cent of the gross product will be set aside to reimburse those who contributed larger quantities of land and capital. This is not in accord with Communist principle, but it will do much to reassure the more prosperous peasantry who hold the fate of the experiment in their hands. If these arrangements had been made public at the beginning of the year, the government might have prevented an indiscriminate slaughter of live stock by the panic-stricken middle peasantry which has aggravated the food shortage in the cities.

Similar encouragement has come from the publication of last year's experience of a collective unit in the North Caucasus embracing some 1,600 families and operating 35,000 acres of land. As compared with the previous year, when these holdings were operated separately, the output of the collective per acre has increased by 87 per cent, its money income has risen from \$250,000 to \$950,000 and the average available income per family, after making all allowances for expenses and governmental charges, is almost exactly double that of last year. Under these favoring influences the collective movement has continued its growth, at a slower pace to be sure than during the period of its phenomenal spread early in the year, but with more wholehearted support from the substantial sections of the peasant population.

An article in *Pravda* on June 29 has made clear the extent to which the international branches of the Communist party have been disrupted and weakened by the factional struggles in Russia, first with Trotsky and later with the Rykov-Tomsky-Bukharin group. According to the official figures of the Third International, the membership of the British Communist party has fallen from 12,000 to 3,500; the French party has decreased 20 per cent; the German party 30 per cent; the Czech party

50 per cent; the United States party 50 per cent, and similarly in other nations. To Moscow these figures mean an absolute decline in party membership throughout the world, since Communist theory does not admit of the existence of party groups not thoroughly loyal to central authority. In reality, however, the number of people calling themselves Communists has increased steadily throughout the world during this period. What has happened has been a disintegration of party unity and a weakening of Moscow's centralized control, with the result that we now have several competing groups in each of the principal countries. This is a body blow to the whole theory of international solidarity and to the tactics of the class war so laid down in Communist doctrine.

Apart from the developments in our own relations with Russia discussed above, there has been no material change in the immediate international position of the Soviet Union. Her relations with Rumania have been embittered by that government's charge that Soviet agents have been active in the recent disorders there; but this is merely an incident in the incessant bickerings between the two countries. As for the future, there is much significance in Russia's reception of Briand's proposal of a Pan-European organization which excludes the Soviet Union along with Turkey as non-members of the League of Nations. Italy has protested that the exclusion of Russia is destructive of the purposes of any European federation. The Soviet Union has taken the same position, asserting that, despite Briand's assurances to the contrary, she must view the proposed organization as inimical to her interests. Such an attitude on the part of the largest and potentially the most powerful European State is a factor to be taken into account in any forecast as to the future of the idea of Pan-European union.

Kurds' Revolt Against Turkey

By ALBERT HOWE LYBYER

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R EPORTS THAT the difficulties which the Turkish Government was having with the Kurds had been ended in June turned out to be untrue, and order had not been restored some weeks later.

The Kurds are one of the few peoples whose claim to separate recognition was realized in no way in the settlements of the past decade. Albanians and Arabs have more or less nearly independent governments, the Jews a "national home," and even the much-abused Armenians manage a small Soviet republic. But the name "Kurdistan" has no legal place on the map, and the Kurds possess no minority rights (except that Iraq considers giving their existence some notice). Yet few peoples have remained longer in the same location. Xenophon and his ten thousand Greeks found them there 2,500 years ago. They have hardly changed their manner of life since, except to adopt more or less selectively the Mohammedan religion and to produce one figure of world-wide renown—Saladin, who recaptured Jerusalem and broke the blows of the Third Crusade. Distributed through a rough mountain land as large as Italy, and numbering 2,500,000 to 3,000,000, they are organized tribally and live a semi-nomadic life. They have no outlook on the sea, and have produced no written literature. The more industrious and cultured Armenians, who dwelt among them and north of them from before the visit of Xenophon, were removed fifteen years ago.

At Paris in 1919 some Kurds asked for the autonomy of their people, and this was contemplated in the Treaty of Sèvres. The Turkish victory of 1922 caused the Kurds to be forgotten, and the line between Turkey and Iraq was drawn through their land as though

they did not exist. Since the Turco-Persian frontier already divided them in another way, they remain, like nineteenth century Poles, ruled by three alien governments. They are, however, only one-tenth as numerous as the Poles; they appear never to have had a unified government of their own, and they have never obtained the sympathy of the world. About half their land and population is in Turkey, about one-third in Iraq and one-sixth in Persia. They have never been very obedient to their overlords, and it has seldom seemed profitable to send armies against them. They are not greatly bothered by the frontiers which traverse their mountains. These, in fact, are of some advantage, for the Kurds can do damage and escape, while to reach them there produces international incidents.

In fact, this situation is developing now, and the anomalous condition of the Kurds threatens the peace of Western Asia, and perhaps the larger peace of the world. The Turks have always been warlike, but now for six or seven years they have striven to settle down and have asked only to be let alone. But the one small fragment of empire left to them is causing trouble, which threatens to draw in Persia, Iraq and Armenia, and with the last two their mighty overlords, the Soviet Union and Great Britain.

The Kurds of Turkey rose in 1925, in cooperation with some Turks who were displeased with radical changes made by the government of Mustapha Kemal. A Summer's campaign brought their defeat, with the hanging of a few leaders and the deportation of many chiefs to Western Asia Minor. The events of the present revolt cannot be easily disentangled from the mass of contradictory statements,



MAP OF THE NEAR AND MIDDLE EAST

explanations and predictions. Secret organizations of Kurds and anti-Kemalist Turks may have planned an extensive uprising. Often in such cases young hotheads give the signal too soon. The Turkish Government appears to have learned what was contemplated and seized some of the leaders (May 23). Kurds from Persia may have made the first attack (June 10). Kurds of Turkey joined, as well as Armenian groups from north of Mount Ararat. Kurds of Iraq could not hold still, and it may be that about Aug. 1 a small band of Kurds and exiled Turks came in from Syrian territory. Dispatches mention 15,000 Kurds encamped near Mount Ararat, holding their own against 30,000 Turkish regulars and 30,000 Turkish reserves. In such circumstances statistics are very unreliable.

The Turks have airplanes and their opponents have new and excellent machine guns. Both sides are very cruel, disposed to refuse quarter and inclined to rob and kill the civil population. Persian troops are said to be endeavoring to preserve neutrality at the frontier. Turks are reported to have pursued Kurds fifty miles into Persian territory. Turkish editors talk of demanding frontier territory from Persia

and even hint at war. Others suspect an attempt to create a Kurdish-Armenian State in the disturbed region. A son of Abdul Hamid II, Prince Selim, is reported to be with the rebels, and, as frequently before in Oriental troubles since 1919, Colonel Lawrence is said to be involved. The Turkish Red Crescent is sending relief to non-combatant Turks in the disturbed territory.

An official statement issued at Ankara on July 13 claimed complete suppression of the rebellion, but subsequent news indicated that the announcement was premature.

This little war comes at a bad time for the finances of Turkey. The government formally notified the Ottoman Debt Commission that it can continue to pay no more than one-third of the instalments agreed upon last year.

RIOTS IN EGYPT

The Ministry of Ismail Sidky continued in office during July in spite of a series of disturbances which involved damage to property and persons, with some loss of life. The government used greater and greater firmness in the use of police and troops.

On July 12 Parliament was closed by royal decree, to be summoned in November if public security is main-

tained meanwhile. Alexandria was the scene of great violence on July 15, with injuries to two or three foreigners besides many wounded and dead among Egyptians. On the following day the British Government sent the great battleships, Queen Elizabeth and Ramillies, to Alexandria, while Premier MacDonald made a statement in the House of Commons and sent a message to the present and the recent Prime Ministers of Egypt. The present crisis in Egypt is to be solved by the Egyptians themselves. The British Government cannot be used as an instrument for an attack on the Egyptian Constitution. Both Ismael Sidky and Nahas will be held responsible for the safety of foreign lives and interests.

Two days later Premier Sidky replied to the effect that he possessed sufficient resources for the protection of foreigners, that the British warships were no longer needed, and that the British appeal to Nahas Pasha, as well as to the government, tended to hinder the establishment of order, by calling into question "the absolute authority and entire responsibility of the government in power." Nahas Pasha replied next day in milder tones.

Parliament made no effort to reassemble on July 21, but riots developed on that day in Cairo and elsewhere, with destruction of property and loss of life. Parliament, by more than two-thirds of both houses, petitioned the King to call an extraordinary session. This the King refused to do, apparently on the ground that the petition was unconstitutional. Apparently the King and government are in the position of being technically in accord with the Constitution but of violating its spirit, since the Premier and Cabinet are not actually responsible to the representatives of the people. Some Wafdist visited the ex-Khedive Abbas Hilmi in Geneva, which shows one direction in which the wind may blow.

Ismail Sidky Pasha, as Minister of Finance, has proposed reducing the expenditure contemplated in the budget by \$25,000,000, thus reducing the expected deficit to \$20,000,000.

The accession of Ras Taffari Makonnen as Emperor Haile Sallassie I, after small initial difficulties, was calmly accepted by the people of Abyssinia. Preparations were begun promptly for a splendid coronation ceremony in November. A Belgian military mission has begun drilling the troops. The principal roads have been taken in hand for general improvement. The zeal for new roads is far in advance of the funds available. A salt monopoly is reported to have been granted the French salt works at Jibuti for \$400,000, half of which will be applied immediately for road construction.

The Commission of the League of Nations on the Wailing Wall continued its hearings until July 19. During the last days the members of the commission met in secret with the leaders of the Jews and Arabs in an effort to reach an agreement, but without success. Nor would either side consent to abide by whatever decision the commission and the League of Nations might reach as regards the Jewish rights at the Wall. Until the commission's report is made the status quo is to be observed.

While various objections have been raised to the constitutional documents which were published in Syria in May, the country as a whole has remained remarkably quiet. France has been able to congratulate herself upon the state of peace in Syria, while Great Britain is having troubles in Egypt, Palestine and Iraq.

The Chamber of Deputies of Iraq was dissolved on July 4 "in order to afford the nation an opportunity of expressing its opinion" as regards the new treaty with Great Britain. The local press objects to the document as not providing complete independence, and providing limited independence only after Iraq shall have been admitted to the League of Nations, an event which may never take place. King Feisal, as usual, proceeded by airplane to spend the Summer months in Western Europe.

The Persian Government on May 13 declared canceled the entire contract for the construction of the Transpersian railway. The American group was accused of building more expensively than was agreed in the contract. The expectation was that the whole contract would be reawarded to the German members of the syndicate. Later a French group was said to be negotiating for the building of the southern part of the line.

Chinese Rebels' Capture of Changsha

By HAROLD S. QUIGLEY

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THE NATIONAL Government of China played most astutely its part in the well-established game of hide-and-seek with its enemies and the foreign powers during the month just ended. It withdrew greatly needed forces from the Honan front to send them to the Shantung front, leaving Hunan, Hupeh and Kiangsi more exposed than before to whatever non-descript looting army might happen along.

These tactics led to a so-called Communist attack on the important city of Changsha, capital of Hunan, accompanied by looting and burning, which frightened foreigners out of the city and near-by regions. When the tumult and flames subsided, a Nationalist force again assumed control. It is difficult to comprehend how a comparatively small force of an irregular character, such as did the damage at Changsha, could have been successful had the Nanking Government taken even ordinary precautions. To this is to be added the unlikelihood of Nationalist success in driving the Northern forces out of Tsinan, the ostensible purpose of the shift of forces that gave the Hunanese guerrilla troops an opening for their atrocious treatment of Changsha. It is difficult to avoid the conclusion that Nanking reckoned on getting rid of the returned missionaries and obtaining the sympathy of foreigners by publishing the atrocities as the acts of Communists, thus not only killing two foreign birds with one stone but galvanizing several others into a program of increased intervention which could be expected to operate to Nanking's advantage.

It now appears that before the success of the irregulars a combination of forces under the general direction of

Minister of War Ho Ying-ching had driven the Kwangsi troops and the "Ironsides" out of Changsha. When the irregulars attacked, after plenty of warning, the force found in charge on behalf of the National Government proved to be but 10,000 men, half of whom mutinied while the rest fled. Changsha is a walled city which should have been easily defended against the 10,000 "Communists" which reports allege composed the looting party.

The city contained 500,000 Chinese and about fifty foreigners. It was captured on July 28 and remained in the captors' hands for only a week, but during that time looting occurred on a large scale and a large part of the city was burned. The extent of damage was not reported, but it appears that the Japanese Consulate was burned and most of the foreign mission establishments looted. Twelve of the foreigners were Americans, of whom one, Allen Cameron, a Baptist missionary from Kansas, refused to leave the city. The remainder were removed by American and British gunboats, as were the remaining foreigners of other nationalities. The situation at Changsha duplicated that at Nanking in 1927, with the fortunate difference that no foreigners were killed at Changsha. A Catholic priest was captured, but was later reported to be safe.

The water in the Siang River, on which Changsha is located, was low, hampering the manoeuvring of the gunboats. The U. S. S. Palos was fired on and five American sailors slightly wounded on July 30. The fire was returned and silenced. In another exchange of shots with the irregulars on Aug. 4 an American and three British bluejackets were wounded.

Without apparent basis, since Chang-

sha is more than 200 miles from Hankow, apprehension spread in the latter city and in Kiukiang and Kuling, its near-by Summer resort, the favorite recreation centre for foreigners in Central China. The latter places were believed to be the more dangerously situated and by Aug. 6 several hundred foreigners had left for Shanghai or Hankow. Various irregular units were known to be watching developments, seeking a favorable moment to strike. Nanchang, capital of Kiangsi, also was believed endangered.

Nelson Johnson, American Minister to China, on Aug. 1 sent a note to Dr. C. T. Wang, Nanking's foreign minister, suggesting that prompt and effective action be taken for the relief of Changsha. He asked that protection be extended to any Americans there and stated that his government reserved all rights with respect to such losses or

injuries as American citizens had already suffered or might suffer on account of the disturbances. The Japanese Government protested against the outrages and demanded that adequate measures be taken to cope with the situation. Dr. Wang announced that his government recognized its responsibility for the incident.

The American Government did not deem it necessary to send additional naval or military forces to China. It had a gunboat at Changsha and other gunboats at Shanghai, Kiukiang, Chingling, Chungking and Hankow, also destroyers at Shanghai and Nanking. Altogether the United States had in Asiatic waters forty-one naval vessels, manned by 6,000 officers and men. It had in addition 2,400 marines at Shanghai and 500 at Peking. The Japanese Government added to its strength on the Yangtse by dispatch-



MAP OF THE FAR EAST

ing a destroyer squadron of four units to Shanghai on Aug. 5. There were 2,100 Japanese residing in the Japanese concession at Hankow. The number of Japanese residents evacuated from Changsha numbered 115. The Japanese have seventeen naval craft in Chinese waters. Rumors of an intention to send a protecting expedition to Shantung were heard in Tokyo but were declared unfounded by the foreign office which, under Baron Shidehara, has maintained a "hands-off" policy toward Chinese civil strife.

Richard P. Butrick, American consul at Hankow, sent circular letters to all Americans residing in the provinces of Hupeh, Hunan, Honan and Kiangsi, calling attention to the increasing menace of communism and urging their withdrawal from exposed places to others more protected.

Extremely contradictory news reports were received respecting the situation on the Shantung front, both the Nanking and the Northern communiqués claiming important gains and each denying the other's reports. The fighting for the recovery of Tsinan began on July 8, large transfers of troops being reported as being made from the Lunghai front in Honan to the southern part of Shantung. In view of the extreme difficulty the National forces were having in holding the former front at the time the transfers were reported, it appeared probable that these reports were somewhat exaggerated. Temperatures of 110 to 125 degrees in Honan were, however, adding to the exhaustion of the troops in that area. At Pochow, Anhui province, the National Army raised a two months' siege by the payment of \$100,000 to the commander of the rebel forces in the city. The state of Nanking's hopes for the recovery of Shantung was indicated in the resignation of Han Fuchu, the leading Nationalist general, who reported a decision to "go abroad."

At Peking the arrival of Wang Ching-wei, leader of the radical but non-Communist wing of the Kuomintang (Nationalist party), portended the establishment of a formal national

government, a composite of several Kuomintang civilian factions and several powerful militarists, chief of them all Generals Yen Hsi-shan and Feng Yu-hsiang, leaders of the present rebellion against the Nanking régime. The principles of the new junta did not differ from those of Nanking, being the platform of the Kuomintang. The issue with Nanking was that of method, the Northerners being opposed to the alleged Nanking policy of "suppressing all opposing parties and criticism" and of insisting upon a "narrow party domination, giving the people neither private nor political rights." Wang asserted that his group favored resuming diplomatic relations with Russia, but only under rigid provisions that each country would refrain from interfering with the other's political and economic activities by subversive activities. The new situation was attracting many political personages to Peking and promoting the revival of activity in that city and Tientsin.

THE NAVAL TREATY IN JAPAN

Emperor Hirohito submitted the London naval treaty to the Privy Council on July 24. Council members were on vacation but were to be summoned especially to act upon the treaty. Certain members were believed to be unfavorable to the treaty but it was expected to pass and thus to be ready for the imperial sign manual.

Premier Hamaguchi and his Ministers were censured by the Supreme Military Council on July 23 when the naval members of that body reported to the Emperor their finding that the London treaty was defective in so far as the national defense was concerned. It was understood that Admiral Takarabe, Minister of the Navy, would resign as soon as the treaty was ratified. The fall of the Cabinet was not foreseen, as it was believed that another naval officer could be found for the naval portfolio in spite of the Supreme Council's action. If the Cabinet weathered the crisis the gain to constitutionalism would be appreciable.

Newspaper comment indicated a strong popular support of the treaty. This was based upon a desire for peace, for lessened taxes and for action that would help to dispel mutual suspicion between Japan and America.

Indications were that at least 50 per cent of the savings to be realized if the naval treaty were ratified would be expended in an expansion of the program of aerial armaments. The Cabinet was believed to have agreed to this expansion as a concession to the views of Admirals Togo and Kato Kanji, who were largely responsible for the unfavorable report upon the naval treaty. This concession was believed likely to weaken the government if it survived to meet the opposition in the next Diet. It was believed also that the report of the Supreme Military Council would have overthrown the Cabinet had not the following qualification been contained in the council's report: "The treaty being only for the short term of five years, we are not without measures to make up the deficiency though only in an imperfect way."

A typhoon, described as the third most destructive in Japan's history, struck Kyushiu, the southernmost of the main islands, on July 18, and proceeded across the straits to Korea where it did even greater damage. Sixty-two persons were killed and 268 injured in Japan; 258 were killed, 155 were injured and 253 were reported

missing in Korea. Property damage in Japan proper was estimated at \$50,000,000.

The killing of four Korean peasants and the wounding of twenty-six Korean peasants and nine Japanese policemen was reported by Rengo news agency as occurring at Tansen, Korea. The peasants mobbed the police after arrests on accusations of violation of the forestry laws. Badly outnumbered, the police were forced to fire on the mob.

A difference of opinion between Soviet Russia and Japan concerning the waters within which Japanese may fish along the Siberian coast led to clashes between the fishermen and patrols of the Soviet. It was reported from Tokyo that the Japanese Government had authorized nineteen floating canneries to carry machine guns and rifles and experienced gunners.

The South Manchuria Railway, on June 10, proclaimed a revised system of organization involving the dismissal of 850 of its personnel of 40,000 employees. The action was taken as a part of the rationalization program which depressed conditions are forcing upon all Japanese industry.

General K. Ugaki, Minister of War, was forced to retire from active duty at the War Office by serious illness. His resignation was offered but was not accepted. Instead, Lieut. Gen. N. Abe was appointed as Acting Minister.

Japan's investment in Manchuria should have been printed as \$1,000,000,000 on page 904 of the August issue of this magazine.

BOOK REVIEWS

Continued from Page 1055

other to the A mandates, and two chapters deal summarily with legal questions, notably sovereignty.

Dr. Gerig likewise approaches the open door and the mandate system with a study of colonial trade policies before the peace conference. He describes the development of colonization under the double pressure of the search for markets and the need for raw materials. The system of preferences developed by certain foreign powers is discussed, and it is shown how Holland and Germany held the extreme position of keeping the door wide open to all comers in their colonies. He examines the Berlin act at greater length than Dr. Margalith, and especially shows the way in which the government of the Congo Free State practically closed the door while keeping it theoretically open. Finally, the protests of the other nations signatory to the Berlin act not only against commercial discrimination but against the treatment of the natives, contrary to the undertakings of the treaty, obliged Belgium to take over the Free State and remedy the worst abuses. He then considers the machinery and functioning of the mandate system as a means of protecting the open door clauses of the treaty, contrasting it with the failure of similar clauses of the Congo treaty for which no machinery of enforcement was set up.

Dr. Margalith believes that the mandates system is not "an altogether novel system in colonial administration," an opinion which seems contrary to his citation from a report to the Council: "The relationship * * * is clearly a new one in international law." Probably the distinction to be made is that the notion of obligation toward the natives in colonies had been developed in civilized colonizing countries and had found international expression in the treaty of Berlin. As Mr. Van Rees, vice chairman of the Mandates Commission, says, the difference lies in the fact that prior to the mandate system "the duty of protection [of the natives] constitutes in colonies properly so-called merely an obligation voluntarily assumed as to which the home government has not to make account to any one, while in the mandated territories, on the other hand, this duty, set forth in detail, constituted a contract obligation whose execution is submitted to the permanent control

of an international collectivity. It is this circumstance which, in the final analysis, emphasizes the novelty and the value of this institution" (*Les Mandats Internationaux*).

Both authors agree on the much contested question of sovereignty over the mandates. Dr. Gerig remarks: "The vagueness of Article XXII on the question of sovereignty creates some difficulties. But judging from the scope of the work of the Mandates Commission in the first nine years, there is evidence to believe that vagueness was more desirable than precision."

Dr. Margalith, after an examination of varying theories, concludes that it is certain that the League is not the sovereign nor are the principal associated and allied powers, nor the mandatory State, as is clear from the position taken by the commission. He decides that a possible answer to the question as to where sovereignty resides "in a mandated territory, is the denial of need to answer the question at all," and goes on to conclude that "the question of the situs of sovereignty will, for practical reasons, not be pushed to a final and decisive issue. As matters now stand this uncertainty is the greatest asset to the mandatory system." He shows how the problems that have come before the commission were settled without a definite decision as to the situs of sovereignty, a point which is apparent in Dr. Gerig's discussion of the way in which the various problems presented by the open door were settled.

The study in Mr. Van Rees's authoritative book of the progressive construction of the law of mandates through the proceedings of the commission, of the council and of the mandatory powers, is very persuasive as to the importance of flexibility in the legal instrument put in the hands of a body charged with the development of a new device in international government. Both writers, but especially Dr. Gerig, show the remarkably close attention given by the commission to the reports of the mandatory powers and the success in general which it has had in bringing about changes in law or administration where necessary to effectuate its conclusions as to the duties of the mandatory to natives and to the principles of the open door. But both authors call attention to the fact that the commission has no power itself to make investigations

in the territories or to hear petitions directly. Both agree that the commission could operate more forcefully if it were not so hampered. Both agree that it is doubtful if it would be wise to extend its power, but neither goes at length into the great complications which this question involves. Both agree that public opinion, that most powerful arm of all the organs of the League, is in all events the final sanction of the decision of the commission.

Both authors commend the work of the Mandates Commission. Dr. Gerig devotes several pages to the personnel and character of the commission, emphasizing its absence of national bias and its political independence. He regrets, however, that nationalism is appearing in the method in which reappointments are made. In every instance but one of the replacements since 1922 "the seat was filled by a national from the same State as the one vacated." A mandate commission, however, without nationals of the mandatory powers and of Italy and Germany, the two great powers which have no mandates, would seem politically undesirable so that six of the ten seats will be pre-empted. Furthermore, as Dr. Gerig remarks, the British and Belgian delegates have been very useful in criticizing the reports of their governments. Long experience on the commission is most important and a reappointment of satisfactory members as long as possible would be the best solution of the problem of membership both to assure mutual confidence among commissioners and acquaintance with the problems and people of the mandated areas.

It is interesting that both writers give weight to the importance of the influence which the administration of the mandated territories will have on the other colonial possessions. Dr. Margalith says that the way in which the duty of trusteeship is exercised under the control of the commission "will more and more tend to furnish the guiding principles for all the powers who have the fates of backward peoples in their hands." Dr. Gerig, an enemy of economic imperialism and a protagonist of the open door, and equal opportunity for all nations in colonial possessions, believes that "the final success of the mandates principle will depend on its influence and effect in colonial areas outside the system. The mandates system is undoubtedly the most effective instrument yet devised to make the open door effective. The mandates principle is irrec-

oncilable with that of national economic imperialism. It is enlightened public opinion alone that will determine which principle will ultimately prevail."

Brief Book Reviews

CIVIL WAR PRISONS: A Study in War Psychology. By William Best Hasseltine. Columbus, Ohio: Ohio State University Press, 1930. Pp. ix, 290. \$3.

Even with the passing of the years the names of Libby Prison and Andersonville awaken in the American mind horrible pictures of suffering and death. The latest and possibly final word on the old controversial subject is this work by Professor Hasseltine. Based on a digest of the vast material now available about Northern and Southern prisons, his study shows that conditions, however bad, were magnified by the hysteria of a wartime mind. The prison system of the South evolved by a series of accidents and broke down because of the fatal economic weakness of the South. The thrice-damned Henry Wirz is rehabilitated, as are the other famous, or infamous, Southern jailers. The author has less to say of Northern prisons, and finds that conditions in them were generally far better than in those across the lines. While the work presents little that is new and will not alter the opinion of historians, it does present in a convenient volume a great store of miscellaneous information on a neglected phase of Civil War history.

THE CONCISE DICTIONARY OF NATIONAL BIOGRAPHY: From the Beginnings to 1921. London: Oxford University Press, 1930. Pp. vii, 1,598.

In 1903 an epitome of the famous monumental Dictionary of National Biography appeared. It condensed the sixty-three volumes of the great work into one handy volume of reference by replacing literary form with stenographic notes. Nevertheless, no items of essential interest were omitted. The present volume is a reissue of the old epitome, with an added section which brings the biographical digests up to 1921.

LORD MELBOURNE. By Bertram Newman. London: Macmillan & Co., Ltd., 1930. Pp. ix, 321. \$4.50.

Bertram Newman in this new biography of Lord Melbourne has given us a vivid portrait of Queen Victoria's first Prime Minister. Writing from the point of view that Melbourne was more interesting as a man than as a statesman, the author gives us all the raciness of the aristocratic society in which his hero grew up and flowered. Melbourne was 51 when in 1830 he received the Home Office in the Grey Ministry and turned definitely into the road of fame. The years at the Home Office were years of troublous social and political unrest, but Melbourne acted so ably that in

1834 he found himself heading his own Ministry. Except for brief intervals he was in office for seven years, under William IV, and then notably under Victoria. With the latter his power and influence were scarcely limited until the Whig fortunes waned, and in 1841 the young Queen's beloved Melbourne had to turn his place over to Peel. All this Newman gives us in a piquant, living study of a man and his times.

The Month in Literature

By MALCOLM O. YOUNG

REFERENCE LIBRARIAN, PRINCETON UNIVERSITY

THE whole question of book production and distribution is well set forth in the timely volume by R. L. Duffus, *Books*, (Houghton Mifflin, \$2.00). There are chapters on the author, the publisher, book clubs, books on American life and other topics. The recent price upset is considered. Lower prices of books are easily noticed as one runs down lists of the last month or two. Certain houses still retain their price scale and certain types of books must always stay high for various reasons. Doubleday, Doran & Co. have a considerable list this month of dollar books, and Simon & Schuster have released their first lot of cheaper books. There is a notable addition to the Riverside series of dollar books, Houghton Mifflin & Co., namely, *The Education of Henry Adams*. A real addition to the Grosset & Dunlap 75-cent collection is the unexpurgated version of Remarque's *All Quiet on the Western Front*. Boni paper books at 50 cents now make a good list, this month including Charles Reznikoff's *Waters of Manhattan*, the story of the background of a Jewish immigrant.

There is an unusual amount of outstanding poetry within the last few weeks. F. L. Lucas's *Marionettes* (Macmillan, \$1.50) is a delightful collection. Sacheverell Sitwell issues the complete *Dr. Donne and Gargantua* (London: Duckworth, 7s 6d) of which parts have before appeared. Humbert Wolfe's *The Uncelestial City* is out in London (Gollancz, 7s 6d). *Miss America* is a long satirical poem by W. J. Turner (London: Mandrake Press, 6s). Evelyn Scott, author of the Civil War book, *The Wave*, now produces the book of poems, *The Winter Alone* (Cape & Smith, \$2.00). Stanley J. Kunitz's *Intellectual Things* (Doubleday, Doran, \$2.00) is provocative in form and decid-

edly worth looking at. Percy Shostac's *Fourteenth Street* (Simon & Schuster, \$2.50) is a long poem of New York. Joseph Anthony's *Casanova Jones* (Century, \$2.00) is a long, exuberant tale in verse form. A rather unknown Dublin poet, Oliver Gogarty, to be reckoned with in any survey of new Irish literature, has published *Wild Apples* (Cape & Smith, \$2.00). That excellent anthologist, Louis Untermeyer, has published the fourth and considerably enlarged edition of *Modern American Poetry* (Harcourt, Brace, \$3.50). This contains a good selection of poems with biographical notes. A Victorian poet with modern tendencies, Gerard Manley Hopkins is now made well known in a biography by G. F. Labey (Oxford, \$3.00). *Elizabeth Barrett Browning: Letters to Her Sister, 1846-1859* (Dutton, \$6.50) is edited by Leonard Huxley. Her romance is the theme of Dormer Creston's *Andromeda in Wimpole Street* (Dutton, \$3.00).

The Scott centenary brings out another biography, Donald Carswell's *Sir Walter* (London: Murray, 15s), critical of the great writer's financial sense. The first real work on D. H. Lawrence is by Stephen Potter (Cape & Smith, \$2.50). *James Joyce's Ulysses* by Gilbert Stuart (London: Faber, 21s) is a guide to and explanation of that monumental volume.

Fiction has survived the heat fairly well, although there are no specially notable products. Honore Willsie Morrow's *The Last Full Measure* (Morrow, \$2.50) is the third of a trilogy based on Lincoln's life, this including the plots against him and his assassination. The work is vivid and usually accurate. V. Sackville-West's *The Edwardians* (London: Hogarth Press, 7s 6d) portrays fashionable English life during the period of Edward VII. Almost as good as Maurice Hewlett's historical novels is Stephen Brent's *Three Half Moons* (McBride, \$2.50), a tale of the Italian Renaissance. Paul Feval's *Comrades at Arms* (Longmans, Green, \$2.50) is the fourth volume of his *Further Adventures of Cyrano and d'Artagnan*.

War books continue to be written. Jacques Deval's *Wooden Swords* (Viking, \$2.50) is one in comedy-fiction form. One that is not as controversial as it seems is Charles Yale Harrison's *Generals Die in Bed* (Morrow, \$2.50), the adventures of a Canadian soldier. *War is War*, by Ex-Private X (Dutton, \$2.50) is also outstanding, while Henry Williamson's *The*

Patriot's Progress (Dutton, \$2.50) is the reaction to his experience of the author of *The Pathway*. Williamson also has just published *The Village Book* (London: Cape, 7s 6d), a series of sketches.

There are two collections of short stories worth noting. John Russell has *Cops 'n' Robbers* (Norton, \$2.00), thirteen stories reminiscent of O. Henry. Twenty-one English authors have contributed to *My Best Story* (Bobbs-Merrill, \$2.50). P. G. Wodehouse has *Very Good, Jeeves* (Doubleday, Doran, \$1.00), with his usual upsetting humor. One of his older books has also been reprinted, *Something New* (Dodd, Mead, \$2.50). Gilbert Seldes has treated rather humorously a serious subject in *The Future of Drinking* (Little, Brown, \$2.00). Those who read Will James's *Smoky* and his other Western stories will welcome his *Lone Cowboy* (Scribner, \$2.75).

There are two "tennis novels." John R. Tunis, sports writer, has published *American Girl* (Brewer and Warren, \$2.00), while William T. Tilden 2nd himself has *Glory's Net* (Doubleday, Doran, \$1.00). Attempts are made to place on Hugh de Blacam Donn Byrne's Irish mantle, for his *Flying Cromlech* (Century, \$2.50). A club novel is Helen Ashton's *Dr. Serocold* (Doubleday, Doran, \$2.50), a doctor's day in rural England. The modern generation is again portrayed by Alice Grant Rosman in her *The Young and the Secret* (Minton, Balch, \$2.00). Miss Rosman, author of *Visitors to Hugo*, also recently published, is an English woman becoming known here. Gustav Frenssen, who wrote *Jorn Uhl*, has now written *The Anvil* (Houghton, Mifflin, \$2.50), a long story of German life. Italo Svevo's *Confessions of Zeno* (Knopf, \$3.00) is also long, with much analysis of an individual. Light reading worth doing includes Edith Olivier's *The Triumphant Footman*, (Viking, \$2.50), almost of the fantasy type. Also, Compton Mackenzie's *April Fools* (Doubleday, Doran, \$1.00); Hugh MacNair Kahler's *Father Means Well* (Doubleday, Doran, \$1.00); *I Am Jonathan Scrivener*, by Claude Houghton (Simon and Schuster, \$1.00), and Denis MacKail's *The Young Livingstones* (Houghton, Mifflin, \$2.00). Not so light but pleasurable is the first novel by Langston Hughes, the Negro poet, *Not Without Laughter* (Knopf, \$2.50), Negro life in Kansas.

Two books not classifying as fiction are

Maude Meagher's *White Jade* (Houghton, Mifflin, \$2.00), the story of the eighth century Chinese Helen of Troy. Arnold Bennett's *Journal*, 1929 (London: Cassell, 7s 6d) is a collection of clever observations on every subject under the sun.

Three German novels of post-war German life are worth recording: Stefan Zweig's *Es ist Zeit*; Heinrich Mann's *Sie und Jung* (short stories); Bruno Frank's *Die Magier*.

Recent Important Books

By MALCOLM O. YOUNG

BIOGRAPHY

FYFE, HAMILTON. *Northcliffe, an Intimate Biography*. London: Allen & Unwin. 1930. 16s.

The great journalist is portrayed by a close friend. Interesting for sidelights on current events.

KRUPSKAYA, N. *Memories of Lenin*. London: Lawrence. 1930. 5s.

By his widow. An interpretative personal sketch.

MALCOLM, SIR IAN. *Lord Balfour*. London: Macmillan. 1930. 7s 6d.

A readable and honestly interpretative although not a comprehensive life.

MOODY, W. R. *D. L. Moody*. New York: Macmillan. 1930. \$3.50.

An evangelist who influenced men as few have, and whose influence lasts all over the world, is portrayed by his son.

PAPINI, GIOVANNI. *Saint Augustine*. New York: Harcourt. 1930. \$3.

An appreciative and beautifully written biography of the saint, by one whose religious experience qualifies him to understand the difficult subject.

ECONOMICS

ANSTEY, VERA. *The Economic Development of India*. New York: Longman. 1930. \$8.50.

An important work. One wishing to gain thorough knowledge of one side of the Indian troubles should use this.

DAVIS, MARY LEE. *Uncle Sam's Attic*. Boston: Wilde. 1930. \$3.50.

Written by an enthusiast for Alaska, its climate, economic possibilities and so forth.

DOUGLAS, PAUL H. *Real Wages in the United States. 1890-1926*. Boston: Houghton. 1930.

Done for the Pollak Foundation for Economic Research. Authoritative and with sane conclusions.

GINI, CORRADO AND OTHERS. *Population. Harris Foundation Lecture*. Chicago: University of Chicago Press. 1930. \$3.

A series of studies of economic, social and biological causes of changes in population.

LEACOCK, STEPHEN. *Economic Prosperity in the British Empire*. London: Constable. 1930. 7s 6d.

Professor Leacock is an optimist regarding the present and future of the empire. Includes suggestions and also shrewd comments on the economic policies of the United States.

A Picture of World Economic Conditions at the Beginning of 1930. New York: National Industrial Conference Board. 1930. \$2.50.

Fourth issue of a valuable reference work.

BIRNIE, ARTHUR. *An Economic History of Europe. 1760-1930*. New York: Lincoln MacVeagh, The Dial Press.

Not for a specialist, but for a general reader. A large subject well treated, although with some important omissions.

Correspondence Between Thomas Jefferson and Pierre Samuel du Pont de Nemours. Boston: Houghton. 1930.

Another volume in Jefferson's correspondence, this one with the founder of the du Pont family in America.

FORTESCUE, HON J. W. *A History of the British Army. Vol. 13 and volume of maps*. London: Macmillan. 1930. 40s.

This is the concluding volume of the standard history. This volume covers 1852-1870.

HEADLAM-MORLEY, SIR JAMES. *Studies—Diplomatic History*. London: Methuen. 1930. 10s 6d.

The late historical adviser to the British Foreign Office wrote papers here collected on such subjects as: The Problem of Security. Valuable because of his position.

POLITICAL SCIENCE

AMOS, SIR MAURICE. *The English Constitution*. New York: Longmans. 1930. \$1.40.

A difficult subject treated briefly, and in readable form. The origin and growth are taken up, as well as description of the present status.

BECK, JAMES M. *May It Please the Court*. New York: Macmillan. 1930. \$5.

A series of addresses by a former United States Solicitor General, among which are The Old and the New Supreme Court, Washington and the Constitution, Elihu Root, The Nation and the States; also some of his more famous arguments.

OSBURN, ARTHUR. *Must England Lose India?* New York: Knopf. \$2.75.

The author is an experienced British officer who has written a book not well received in England because of its point of view.

Problems of Peace. Fourth Series. New York: Oxford University Press. 1930. \$3.

Lectures at the Geneva Institute of International Relations, 1929. Divided into Problem of Mechanism, Problem of Disputes, Special Problem, Problems of Development.

SCIENCE

DANTZIG, TOBIAS. *Number, the Language of Science*. New York: Macmillan. 1930. \$3.50.

A history of mathematics by a professor in an American university; told with enough humor and simplicity for the average man's understanding.

LANGDON-DAVIES, JOHN. *Man and His Universe*. New York: Harper. 1930. \$5.

The problem of creation and the attempts to solve it. Chosen by the Scientific Book-of-the-Month Club. By a thorough materialist.

MURPHY, CHARLES, J. V. *Parachute*. New York: Putnam. 1930. \$2.50.

A history of a surprisingly interesting subject.

SOCIOLOGY

JOHNSON, JAMES WELDON. *Black Manhattan*. New York: Knopf. 1930. \$2.50.

Harlem, its history, its accomplishments in art, literature and otherwise; its personalities.

KENNEDY, LOUISE VENABLE. *The Negro Peasant Turns Cityward*. New York: Columbia University. 1930. \$4.25.

The effects of the recent migration to northern cities.

TERRETT, COURTENAY. *Only Saps Work*. New York: Vanguard. 1930. \$2.

Racketeering, by a newspaper reporter.

TYDINGS, MILLARD E. *Before and After Prohibition*. New York: Macmillan. 1930. \$2.

By a Maryland Senator who, by statistics and facts, finally decides that prohibition is a failure.

WOODSON, CARTER GODWIN. *The Rural Negro*. Washington: Association for the Study of Negro Life and History. 1930. \$2.65.

A survey of economic and social conditions since the Civil War.

MISCELLANEOUS

DOUGLAS, NORMAN. *How About Europe?* London: Chatto. 1930. 7s.

Written after reading *Mother India*, intending to show how great are Europe's own weaknesses. Somewhat overdone in adverse criticism.

HALL, THOMAS CUMING. *The Religious Background of American Culture*. Boston: Little, Brown. 1930. \$3.

A very readable and provocative history. He does not agree with earlier historians in certain parts.

HUEFFER, OLIVER MADOX. *Some of the English*. Appleton. \$3.

The English people since the war, as seen in suburban surroundings.

NORWOOD, CYRIL. *The English Tradition of Education*. New York: Dutton. 1930. \$3.50.

The underlying principles of English education, by the Master of Harrow. To be read with Counts' book.

To and From Our Readers

[The Editor assumes no responsibility for unsolicited manuscripts unless accompanied by return postage. Anonymous communications will be disregarded, but the names of correspondents will be withheld from publication upon request.]

GERMANY'S FORMER COLONIES

To the Editor of Current History:

In reply to Mme. van der Hoeven's statement in July CURRENT HISTORY that a return to Germany of her former colonies would be "the greatest crime Europe could commit," a few observations may be made.

From 1884 to 1914 Germany had in her whole colonial empire only two armed uprisings, compared with numerous revolts and colonial wars in the French, Belgian and British possessions. During the four years of the World War the black soldiers of General Lettow-Forbeck faithfully adhered to the German cause, sacrificing their lives and property for the preservation of German rule. In Dar-es-Salaam the black soldiers of the battalion almost wept when ordered by their German officers in 1918 to give their weapons over to the British. Former German farmers and colonial officials continually receive letters from literate natives expressing the wish of their populations to be returned to Germany.

The economic development of the colonies was amazing. From 1884 to 1914 plantation areas increased elevenfold, railways almost eightfold and investments quadrupled. The present status of Ruanda and the Cameroons is so bad that even English authorities refer to them as "the territories of living skeletons." Since 1918 sleeping sickness has almost trebled in the former German colonies.

T. R. ELMHORST.

Berlin.

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KATHERINE MAYO AND GANDHI

To the Editor of Current History:

It seems to me that the article by Katherine Mayo in August CURRENT HISTORY was not convincing as to Gandhi's inconsistencies. Even according to her story, he tried hard to help the low caste; she is diverting attention from the issue of Great Britain's right to rule these other races. That is what I would like to see defended by some one not inheriting the "Anglo-Saxon capacity for sentimental self-humbug and cynical self-help." "The Simon report will give one thousand reasons for just a little more tutelage," predicted Ramsay MacDonald with startling accuracy.

ROBERT E. PFEIFFER.

Columbus, Ohio.

* * *

THE SITUATION IN MALTA

To the Editor of Current History:

I read with much pleasure your paragraph in CURRENT HISTORY about Malta.

Lord Strickland did not order "that no passport be issued to the monk"; if he had acted in that way, he would have incurred excommunication. The truth is that the Governor approached the Bishop of Malta

on the matter and a counter-order was issued to Father Micallef to remain in the island. Again, it is not only the Bishop of Gozo who forbids Catholics to support the government but also the Bishop of Malta, and this in a joint pastoral.

The chief question which distinguishes our political parties is the language question. The Nationalists side with Italian on cultural lines, the Constitutionals with English on practical lines, and Labor with Maltese as the only language of 80 per cent of the people. In the words of Lord Passfield, "pro-Italianism is negligible."

G. ZARB.

Sangha, Malta.

* * *

CONSTITUTIONAL CONVENTIONS

To the Editor of Current History:

In his article in the June CURRENT HISTORY on "The United States Constitution and the State Legislatures," Orville S. Poland invites Louis Cuvillier of the New York Assembly to endeavor forthwith to put to a test his theory that Congress can be forced by writ of mandamus by the courts to call a Constitutional Convention to propose amendments. Mr. Poland contends that thirty-two States have already in a constitutional manner requested the calling of such convention and that, if courts can compel Congress to act, conditions are at present favorable for beginning proceedings.

True, more than thirty-two States have made such application since the ratification of the Federal Constitution. Of these applications twenty-eight were made during the present century. The last three applications were made early in 1909, or more than twenty-one years ago. All were brought forth by conditions which have long ceased to exist. At least twenty-seven of the twenty-eight were passed primarily with a view of securing election of United States Senators by direct vote of the people, though a few had an additional objective of extending the power of Congress in the matter of anti-trust legislation. When the constitutional amendment for election of Senators by the direct vote of qualified electors was submitted to the State Legislatures by Congress the agitation for a Constitutional Convention to submit amendments died at once.

JAMES D. WHELAN.

Twin Falls, Idaho.

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ROOSEVELT AND WILSON

L. M. Berkeley, referring to the article by Bainbridge Colby on Roosevelt's attitude toward Wilson which appeared in August CURRENT HISTORY, says:

It is rare to see a magazine article that attains the distinction of this one. It seems to me that it pronounces the final judgment of history; and it is a happy circumstance that the medium of publication is one that is certain to be consulted by the historians of the future.

* * *

THE TEACHING OF EVOLUTION

To the Editor of Current History:

The article by Maynard Shipley in your May issue, entitled "The Growth of the Anti-Evolution Movement," contains some misstatements of facts. He introduces his article with the designedly startling remark, "The teaching of evolutionary principles, so far at least as man and his institutions are concerned, has been quietly abolished throughout the

greater part of the United States." I maintain that the teaching of evolution is steadily going on in the vast majority of the high schools of America.

During my four years of teaching in North Carolina I never met a single teacher of any branch of science who hesitated in the least to teach evolution in all its implications. My teaching experience was in Buncombe County, a short day's travel across the border to Dayton, with the same kind of people on both sides of the range. It is true that none of the teachers went about shouting evolution in the market place, but it is also true that we continued teaching it in the classrooms. I have known personally several science teachers in the public schools of Tennessee. Each of these has declared that he taught evolution daily in the classroom. Some avoided using the term "evolution," but none hesitated to present the facts as set forth in the best collegiate biologies. It is my opinion that the same process is going on elsewhere in the United States. GEORGE V. ALLEN.

Washington, D. C.

CANADIAN READER'S TRIBUTE

To the Editor of Current History:

I wish to congratulate you on the increasing excellence of CURRENT HISTORY. The inclusion of the sketch maps has, in my opinion, increased its value to students considerably. The map of the new Turkestan-Siberian Railway on Page 804 of the July number is particularly good and contains a lot of information presented in a form that can quickly be understood. The fact that these maps are absolutely up-to-date as regards place names and boundaries is also of great value, since one reads in the newspapers the names of places quite unfamiliar, though in reality they have been in existence many centuries, e. g., Ankara for Angora, Novo-Sibirsk for Novo-Nicolaevsk, and so forth.

In fact, CURRENT HISTORY is fast becoming a volume that should be in the hands of every statesman, soldier, merchant and schoolboy, containing as it does a record of the latest historical, geographical and economic changes in a world where history is being made so rapidly that it is impossible by ordinary means to keep in touch with it. J. G. RYCKROFT.

Esquimaux, British Columbia.

MIXING RELIGION AND POLITICS

To the Editor of Current History:

Professor Mark Mohler in July CURRENT HISTORY, writing on "Mixing Religion and Politics," says: "These sentiments find definite expression in a bill introduced in the Texas Legislature proposing the exclusion of clergymen of all faiths from high State office."

Article 3, Section 26, of the Texas Constitution of 1866 reads: "Ministers of the gospel by their profession dedicated to God and the care of souls, ought not to be diverted from the great duties of their functions; therefore, no minister of the gospel, or priest of any denomination whatever, shall be eligible to the Legislature."

It may be of historic interest to note that Delaware, Georgia, Kentucky, Louisiana, Maryland, Mississippi, Missouri, New York, North Carolina, South Carolina, Tennessee, Texas and Virginia all have had constitutional provisions defining ineligibility of clergymen to hold office and more particularly legislative office.

The unique wording of the South Carolina Constitution of 1778 leads to the conclusion that here is the origin of the provision quoted from Texas; that from South Carolina it found its way in 1796 into the fundamental law of Tennessee; thence in 1817 into the Constitution of Mississippi, and finally as cited above from the Texas instrument.

The fact is there are two principal schools of thought gathered from history: One is the complete union of Church and State; the other is the complete separation of Church from State. Dr. Ryan states the first in Vol. 27 of CURRENT HISTORY at page 783: "The doctrine of union between Church and State has full application only to the completely Catholic State."

Professor Mohler's interesting discussion and cases like *Cincinnati v. Minor*, 23 Ohio St. 211, lead to the conclusion that we will continue to mix some religion with politics as Moses did in the Ten Commandments.

Tahlequah, Okla.

BRUCE L. KEENAN.

* * *

THE FALL OF CHARLES STEWART PARNELL

Alfred B. Cruikshank writes to the editor from Paris as follows:

Your good magazine aims at accuracy. There is a misstatement in the May issue, page 304, in the article on "Arthur James Balfour" by Angus Fletcher: "Parnell * * * fell by the wayside, a victim to Victorian conventionality." Nothing of the sort. He was an Irish Member of Parliament at the head of an Irish faction, mostly Roman Catholics, and was defeated in the Irish elections by the Roman Catholic vote because of his discovered adultery with a married woman. On that subject the Irish people and their clergy were, and are still, nobly resolute and unyielding.

In reply Mr. Fletcher writes: "With regard to the Balfour article, I accept Mr. Cruikshank's correction. I should not have indulged in cynicism in such a matter."

* * *

GREAT BRITAIN'S ARISTOCRACY

To the Editor of Current History:

I have been greatly interested by Professor Laski's article in your July issue, but at the same time I feel that it may mislead the American reader. I doubt if the learned professor realized that to any one but an Englishman the word "aristocracy" might easily convey an erroneous idea of what is known in Great Britain as the "Lords Temporal and Spiritual."

When Mr. Laski writes: "The public may contribute the capital for the development of a great company like the Imperial Chemical industries, but its control is in the hands of Lord Melchett with colleagues like Lord Reading and Lord Birkenhead," the man in the street may be led to believe that the noble lords mentioned are the offspring of old families who, by the mere fact of their birth obtained important posts. This is contrary to the truth.

All these personalities are self-made men to the same extent as Henry Ford in America, but their services have been recognized by the King, and upon them peerages have been conferred. This consists not merely of a title of nobility but also carries with it the privilege of a seat in the House of Lords, thus allowing these self-made men to favor His Majesty's Government with their valuable services.

Traditionally the Englishman abhors violence and I agree with Professor Laski that a constitutional revolution has been achieved by mutual consent. This revolution, however, started centuries ago. It has always been the privilege of the King to create aristocracy, and thereby to renew the blood, not merely by brilliant marriages, but by ennobling those who deserve it because of their intellect, their work, their honesty and their morality. A truly "democratic" aristocracy is thereby created. I believe it is necessary to draw attention to these fundamental facts in order to understand Professor Laski's interesting statement that a "democratic" aristocracy is still (and always will be) the ruling class in England. BARON MAROCHETTI.

New York City.

World Finance—A Month's Survey

By BERNHARD OSTROLENK

EDITORIAL BOARD, *The Annalist*; FORMERLY LECTURER ON FINANCE,
UNIVERSITY OF PENNSYLVANIA

EXCESS exports over imports of gold totaling \$29,857,000 during the four weeks ended July 30 is looked upon by New York bankers as a constructive feature in redistributing the world's gold supply and contributing to a world revival of normal business conditions. The total outflow during the four weeks has been over \$44,500,000, most of it going to Canada and France. The recent rise in sterling, reichsmark, Scandinavian and other currencies make it appear that other European central banks would also draw considerable gold from the United States.

There is no clear-cut evidence that the Federal Reserve System has been taking any steps to promote the outflow of gold, but it may readily be surmised that the system is not opposed to the movement by the fact that no effort has been made to tighten money in order to keep the gold here. On the contrary, evidence accumulates that the Federal Reserve System proposes to sponsor easy money in spite of the outflow. Money rates here are being kept so low as to encourage the flight of capital and the export of gold. The action of the Federal Reserve Bank of New York in lowering the rate at which it will buy bankers' acceptances to $1\frac{1}{8}$ per cent for maturities of forty-six to seventy-five days, with similar rates for shorter bills, is a clear invitation to Europe to take money away from this market, and an assurance to domestic industry that money rates will be kept low.

While the outflow of gold is looked upon with equanimity and satisfaction in international banking circles, the amount of exports, while seemingly large, are really as yet important only because it is hoped they show a developing trend. The reserve vaults of the

United States can well dispose of very large quantities before the effect will be felt here. The Federal Reserve ratio of reserves, principally gold to deposits and note liabilities, stands at 83.5, more than double the required minimum of 40 per cent. From 1913 to the end of 1929 gold holdings of the United States have increased a total of \$2,700,000,000, a greater increase than in any other country in the world, while with few exceptions all other important countries have lost gold. The present depression of business activity, which is world-wide, is in part attributed to the maldistribution of gold, whereby an excess of gold has been concentrated in the vaults of the United States Reserve Banks, while important industrial countries abroad have suffered from lack of gold as a monetary base with which to carry on trade and industry. Though an export movement of gold got under way last December, it was promptly stopped early in 1930, and gold imports have exceeded exports by \$242,000,000 during the seven months ended July 31. The gold imports have come largely from South America, countries that can ill afford to lose any of their meager stocks. At any rate, the present outflow, it is hoped, will augment the European stock where it will be more useful in adjusting business conditions.

The only note of regret that comes with the departure of these gold shipments is that thus far virtually all, except the Canadian shipments, have gone to France, the one country in Europe which, like the United States, is at this time oversupplied. The French, like the American central banks, have taken steps to repel the inflow of gold through low discount rates, the discount rate of the Bank of France now being $2\frac{1}{2}$ per cent, the

lowest in Europe. In fact, the French rate has been continuously the lowest rate in Europe for the past few years, but in spite of this low rate gold has been attracted to France in ever larger volume. Between 1920 and August, 1930, the gold holdings of the Bank of France have increased over \$1,000,000,000.

In a speech delivered in Paris, Finance Minister Paul Reynaud answered the criticisms of the English press, which had blamed the Bank of France for the gold withdrawals from England. The firmness in exchange which occasioned these gold imports, he declared, must be chiefly ascribed to repatriation of French funds which no longer find sufficiently remunerative investments abroad. In order to counterbalance the effects of this repatriation, the Finance Minister pointed out, it would be necessary for the Paris market to lend more capital than it is now lending. Steps had been taken in that direction. During the past year an acceptance bank was founded in order to develop the financing of foreign trade through acceptance bills placed in France. Besides, the taxes on foreign loans were revised. Owing to business depression, however, applications for loans remain small. Borrowers who applied were generally of low standing, and the authorities deemed it wiser to keep them off, owing to the danger which such issues might have created for the thrifty French investor. The Paris market will, however, he concluded, be ready when business revives to assume responsibilities which it recognizes on account of the gold position of the Bank of France. It is true that these holdings at present remain technically inactive, but that is because of trade depression and the decreased capital requirements of the world. Redistribution of gold, M. Reynaud asserted, will of course take place when business revives and foreign countries borrow in France.

Two developments, however, make it possible to predict that the further

flow of gold to France may be substantially checked during the remainder of 1930, though there are probabilities that it may continue a little longer. First, France will probably be compelled to import larger than seasonal supplies of wheat to make up for this year's deficiency; and second, the profitable American tourist expenditures may be sharply diminished this year, and thus this large invisible item of French income, which usually more than balances her import deficit, may this year be so small as to show up the larger imports over exports in the national balance sheet. During the first six months of the present year the visible commercial balance of French foreign trade showed a surplus of imports amounting to 4,187,000,000 francs. This excess of imports over exports is not unusual. It was 5,886,000,000 francs during the corresponding period in 1929, and 868,000,000 francs in 1913. Therefore, the unfavorable balance is smaller this year than last year. It is normally balanced by invisible items credited to France, notably tourist expenditures. The sharp reduction of such expenditures when coupled with larger outlays for imports may turn the tide of gold for the remainder of 1930.

Sterling has been strong in New York, though as yet not definitely at the point that permitted exports of gold to England. It is probable that gold exports to England will start well below the export point; that is, even if exports will only pay expenses but will give no profits to the transferring organization. The interest rate can be covered by crediting the gold as reserves as soon as it leaves the vaults of the Federal Reserve Banks. In France sterling also has shown strength, though there have been shipments of gold from England to France which are ascribed to old orders. The rise of the Belgian bank rate and recent shipments of gold from Brazil to London have added much to English confidence.

The New York Times Publications

The New York Times

SUBSCRIPTION RATES: UNITED STATES

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D. & S.	\$15.00	\$7.50	\$3.75	\$1.25	\$.75	\$.40
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